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1998 CURRENT BUDGET

Committee of the Whole Workshop
April 17, 1998

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REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH



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REGION OF HAMILTON-WENTWORTH

- INFORMATION -

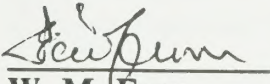
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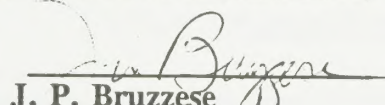
REPORT TO: Chairman and Members
Regional Council

FROM: W. Michael Fenn
Chief Administrative Officer

AND: Jim Bruzzese
Acting Treasurer & Commissioner of Finance

SUBJECT: **MANAGING INTO THE 21ST CENTURY:
A THREE-YEAR CORPORATE BUSINESS PLAN
FOR HAMILTON-WENTWORTH REGION (FIN98040)**


W. M. Fenn


J. P. Bruzzese

Introduction:

This Corporate Business Plan attempts to integrate the recent business planning decisions of Regional Council with the fundamental change in fiscal and program responsibilities that will come into effect over the next three budget years. It also anticipates the likely prospect of significant organizational change affecting the Regional Corporation's 2000 employees. Regional Council's "Administrative Structure & Best Practices Steering Committee" has identified a need and a potential for operating cost reductions of \$25 million in the overall cost of municipal government. These savings are needed if the local governments in Hamilton-Wentworth are going to maintain competitive tax rates and a solid fiscal position.

Business Units and Business Plans:

In early 1995, Regional Council approved the **Management Action Plan**, which included a consolidation of 14 Regional departments and organizational units into four primary Business Units and a further "business unit" responsible for in-house corporate and business-support functions. The Region's five Business Units are the *Regional Environment Department* (consolidating planning, environmental and airport programs); the *Regional Transportation Department* (including roads and public transit); the *Regional Community Services Department* (including the various social programs and the two Homes for the Aged); the *Regional Public Health Department* (including public health programs, environmental programs, and the "teaching health unit"); and, the *Regional Corporate Services* group (which includes Human Resources; Financial Services; Legal Services; and, the Office of Regional Clerk and Facilities Management; as well as the Regional portion of the City of Hamilton Information Systems Department budget).

The Offices of the Regional Chairman, the Regional CAO, and Economic Development were constituted as a separate executive group for budgetary and management purposes. The Management of the Regional Police Service also participate in the budget priority-setting process and target-allocation process.

The business plans of the five Business Units reflect the degree to which Council has given approval to future direction. For example, while the Regional Transportation Department business plans for the Hamilton Street Railway and for regional roads are well developed, the Regional Public Health Department is in the middle of a strategic planning process that will review such issues as the impact of new Provincial mandates on the organization and delivery of public health and environmental health programs.

The budget package circulated to Council members also contains a Business Plan for the Capital Program for the five Business Units, for the years 1998 through 2000.

A Commitment to Renewal:

The municipal governments of Hamilton-Wentworth are facing five major changes in the next three years:

- (a) a proposal to alter the form of municipal government across the region, with the inevitable impact upon existing organizational and labour relations conditions;
- (b) important new program responsibilities, in areas such as social housing and ambulance operations;
- (c) the technological and service-delivery challenges of meeting our commitment to make municipal government as "customer-focused" as any other successful service business;
- (d) an economic climate where existing taxation levels may be found to be uncompetitive and require adjustment to protect our non-residential tax base and to give effect to tax equity; and,
- (e) a responsibility to look at key areas of municipal operations, in search of the projected \$25 million net reduction in municipal budgets that will be needed to withstand the impact of Downloading and necessary tax adjustments over the next several years.

Three-year cycle:

Beginning in 1995, Regional Council adopted an approach of looking beyond the annual current and capital budget, to consider a three-year business planning cycle. The Business Plans that have been considered by individual Standing Committees, such as the Hamilton Street Railway Business Plan, have reflected that multi-year orientation.

Looking Back: Strong Performance in Difficult Circumstances:

What have we achieved since we adopted this three-year orientation? A quick summary of Regional Council's accomplishments might be in order to illustrate the point:

| <i>Item</i> | <i>1997 Actual</i> | <i>1994 Actual</i> | <i>\$\$ change</i> | <i>% change</i> |
|--|--|--|--------------------------------------|----------------------------------|
| Despite a "No growth" tax base (equalized assessment) | Total: \$1.426B Non-res: \$488.682M | Total: \$1.404B Non-res: \$492.976M | Tot: +\$0.022B Non-res: -\$4.294M | Total: +1.6 % Non-res: -0.9 % |
| Absorbed lost Provincial subsidies | \$151,643,000 | \$216,884,000 | -\$65,241,000 | -30.1 % |
| Increased spending on police | \$73,981,000 | \$66,872,000 | +\$7,109,000 | +10.6 % |
| Greater productivity in Road Mtce and Winter Control | \$34,439,000 | \$41,812,000 | -\$7,373,000 | -17.6 % |
| Reduced garbage disposal costs | \$13,644,000 | \$19,141,000 | -\$5,497,000 | -28.7 % |
| Fewer continuous full-time staff (despite additional police) | 2,910 | 3,198 | -288 (net) | -9.0 % |
| Reduced salary/wage expenditures | \$174,894,000 | \$197,730,000 | -\$22,836,000 | -11.5 % |

Looking Forward: Building on Success:

Budget report CAO-98-003 suggested to Regional Council that the projected Downloading impact on the Regional Municipality (\$26.8 million; now revised by the Province and Regional staff to \$26 million) be addressed by a "pass-through" tax increase, and the remainder of the projected operational cost increases of \$12.3 million be met by a combination of tax increases (\$6.2 million) and net expenditure reductions (\$6.1 million).

The report further proposed that the years 1999 and 2000 see a "tax freeze", conditional on correct Downloading estimates from the Province, favourable labour settlements and economic conditions supporting existing social assistance caseloads.

Using the traditional single-year budget horizon, it would obviously be difficult to achieve full-year savings of the order of \$6.2 million in a 1998 operating budget with so many non-discretionary expenditure commitments and in which the annual budget is not adopted until May. To overcome this problem, Regional staff propose that savings be taken within the 1998 budget for items that have an annualization effect which cannot be fully realized until 1999, but on which we can rely for sustained savings thereafter. This makes effective use of the 3-year model approved by Council, and it builds-in the budgetary discipline needed to achieve a conditional tax freeze in subsequent years.

Priority-setting:

Following Regional Council's direction to identify \$6.1 million savings, Regional Management Board developed a list of budget reduction "packages" representing 5% of the net operating budget of the individual business units. From this list, proposals were reviewed by Financial Services staff for their validity, and categorized according to type, using the four categories adopted in previous years (i.e., "Productivity Improvement"; "Financial Adjustment"; "Revenue Generator"; and, "Service-Level Adjustment").

In early April, the Regional Management Board met at the Procor Computer Decision Laboratory at Mohawk College, where it adopted the criteria to be applied to the ranking of budgetary proposals. Two primary "best professional practice" ranking criteria were selected: "Acceptability" (including feasibility or viability of the service reduction or fee increase in terms of the continued efficient delivery of the service) and "Impact on Services" (which reflects the degree to which the impact will be felt in the community).

Over fifty individual budget-reduction alternatives, totalling \$11.3 million in annualized savings, were considered. At the same time, several high-priority one-time investments in technology were considered, along with non-mandatory program enhancements in Regional Public Health and in Regional Environment/Regional Transportation (air quality initiatives).

At the conclusion of the priority-ranking process, 1998 net current budget reductions totalling \$5.2 million were identified and recommended, to be coupled with other net budget reductions to achieve the \$6.2 million net budget reduction target. The annualized effect of these reductions is estimated to be \$8.1 million, for a total net budget savings over the three-year budget cycle of \$21.5 million.

Business Plan Components

The 1998-2000 Corporate Business Plan assumes that Regional Council will authorize a consolidation of the Administrations of the Regional Municipality and the City of Hamilton. Staff do not presuppose the ultimate decision by Regional Council on the restructuring issue. However, in developing our targets for the next three years, several working assumptions about cost-reductions and service-restructuring have been made. At a minimum, we have assumed that some significant reductions in the operating cost of Regional Government will be the outcome of the current discussions.

We propose that Regional Council lend its support to the 15 Corporate Business Plan objectives outlined below, in addition to its consideration of the Business Plans for the current and capital budget for individual Business Units.

Regional Transportation Department

1. There should be significant net reductions in the gross cost of public transit across the region, based on the Council-approved Hamilton Street Railway Business Plan. With the Orion bus purchase and rationalized routes, there should eventually be a reduction in the capital budget for HSR. It has been assumed, however, that the savings could be scheduled over the full three-year period, as long as the ultimate targeted reduction is met. Since suburban municipalities will now be contributing through the Regional levy towards the full net cost of public transit in Hamilton-Wentworth, consideration will be given to lower-cost alternatives to conventional transit in suburban areas.
2. There will be a transfer of road maintenance, road construction and winter control responsibilities for about 40% of "regional" roads to the Area Municipalities, despite the Regional Municipality assuming responsibility for more than 157 kilometres of Provincial highways and 71 kilometres of the Lincoln Alexander Parkway.
3. The Regional Council has directed that the construction of the remaining portion of the Lincoln Alexander Parkway, through the Red Hill valley, proceed expeditiously and in full compliance with the approved environmental protection parameters. The financing plan to make this possible forms part of the three-year Business Plan.

Regional Environment Department

4. Despite our financial challenges, the Business Plan provides for the Regional Environment Department and the Regional Transportation Department to fund several new initiatives related to the Hamilton Air Quality Initiative (HAQI).

Regional Community Services Department

5. Assuming reasonable terms and conditions can be negotiated, the operation and facilities of Macassa Lodge and Wentworth Lodge will be transferred to the hospital and long-term health care sector.

Regional Public Health Department

6. Despite the projected increase in public health program costs associated with the Mandatory Program Guidelines issued by the Minister of Health, existing programs and new mandates will be addressed largely by maintaining the existing level of funding for public health programs.

Regional Corporate Services

7. The Regional Municipality, in consultation with its other municipal and local government partners, will move ahead with computer and telecommunications infrastructure and systems, to meet our productivity and customer-service targets. Special attention will be given to installing a new operating system for financial and human resources management to displace all existing corporate and departmental systems in these areas. The Regional Municipality will also move to a single platform of desk-top equipment, office software and network communications, in order to integrate corporate activities, to improve productivity, and to provide more effective staff training.
8. The Regional Municipality will move beyond the four pilot projects in the facilities management field, to produce a full corporate facilities and energy management program.
9. The Regional Municipality will target savings in the field of labour productivity, in such areas as: reduced fringe benefit costs; more performance-based compensation systems; more expansive use of "management rights" in existing collective agreements; operational restructuring and reductions in supervision; more effective monitoring of non-performance and absenteeism; and, improvements in productivity through improved collective agreement work-rules.
10. Regional Management will co-operate fully with any integration of civic workforces, with a view to using voluntary severances and early retirements to reduce overlap and duplication in similar or related functions. Organizational changes to the Regional Administration should be made in conjunction with the likely consolidation of City of Hamilton and Regional Municipality operations.

New Mandates

11. Regional Management will present a report to Regional Council recommending a new model for the organization and administration of Land Ambulance functions, with a view to reducing the significant projected cost increases in the existing programs by the end of the 1998-2000 budget planning cycle.
12. Regional Management will present a report to Regional Council recommending a model for the administration, delivery and financing of the Social Housing mandate, including both the non-profit and public housing programs for which financial responsibility is being transferred to the municipal sector.
13. In consultation with our local government partners, Regional Management will undertake an analysis of fire protection services across the region, with a view to developing a model that will promote both a reliable fire protection service and a reduction in the projected cost increase.

14. As part of the consolidation of civic administrations, proposals should be developed for improving the quality of various corporate services across the region on a co-operative basis, including human resources and labour relations, investment and money management, computer systems installation and support, management information systems, and fleet and facilities management.
15. Subject to the directions of Regional Council, we anticipate that a consultant-assisted process of reducing operational costs will be part of any Administrative Consolidation process. This process will include identifying potential savings from redesigning services or delivering them in alternative formats. Such activities inevitably consider the potential for labour-displacing technologies and processes, so that we will need to develop and fund a "right-sizing" and redeployment program for our employees, both those who leave, and those who stay.

To prepare for this process, Regional CAO has agreed to assume responsibility for co-ordinating the Ontario-wide performance indicators and best-practices project of the 13 Regional Municipalities and the City of Toronto. The results of this project will produce performance-measurement indicators that go a long way to identifying "best practices" and to highlighting areas of potential cost-reduction in our own operations.

Targeted Savings

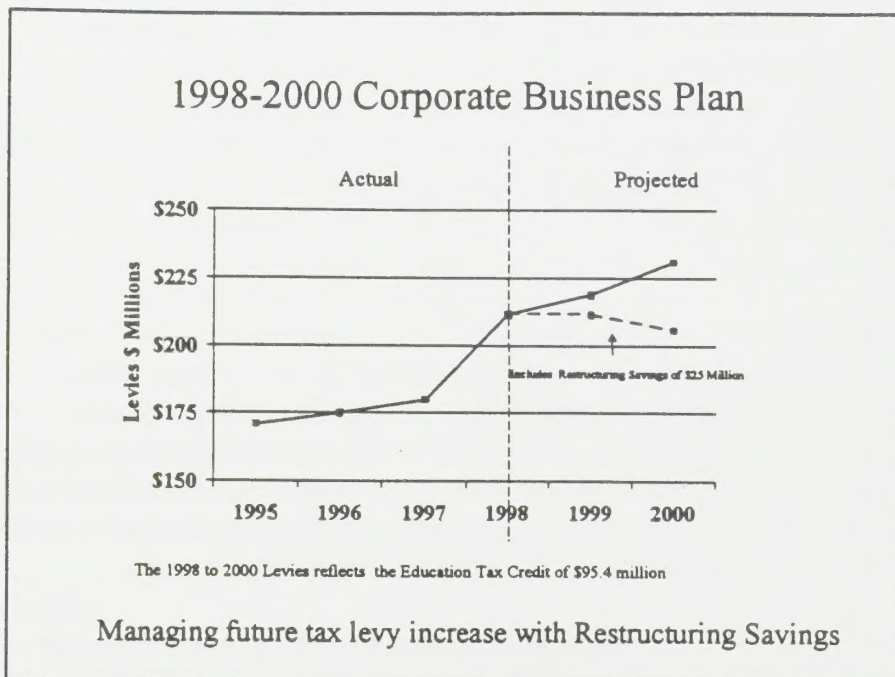
The Business Plans of the Business Units, coupled with the 15 corporate business objectives outlined above, will assist Regional Council to identify areas of potential cost-reduction within municipal operations. It is our expectation that some significant expenditures in technology, severance payments and retraining costs will be necessary to produce sustainable long-term budget reductions for the forecast period. (To be justified, these one-time costs must be set-off against long-term cost reductions, such that a dollar spent to save a dollar in budget Year One, adds up to a net \$2 saving by the end of budget Year Three).

The year 1998 has taught everyone in municipal government that the ground rules can dramatically alter both traditional assumptions and budget projections. Despite this experience, however, staff are relatively confident that the \$6.2 million target can be met, and if it is met, that routine cost increases in the subsequent two years can be absorbed through productivity improvements and minor adjustments in service levels.

The most recent projections place the proposed "pass through" of Downloading costs at \$26 million, for Regional programs. While these increases are unavoidable for 1998, the potential net savings due to municipal restructuring holds open the prospect that tax adjustments can be made in 1999 and 2000, to give effect to greater equity in taxation. A very preliminary projected outlay for new technology, retraining and severance costs is \$36 million, of which some \$27 million (75%) is being sought from the Government of Ontario.

Some of the projected net savings may also come from new financial obligations, in such areas as property assessment, public and non-profit housing, and ambulance operations. Others may come from new revenue-generating opportunities, such as the Provincial Offences operations, property assessment services, telecommunications infrastructure and municipal enterprises to be allowed under the new Municipal Act.

If it proves possible to reduce net operating costs by \$25 million annually as a result of these expenditures, however, this will provide Regional Council with badly needed budgetary flexibility to address issues of capital program funding, tax-equity revisions, and investments in new programs and long-deferred priorities.



REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH 1998 CURRENT BUDGET

TABLE OF CONTENTS

| | Pages |
|---|-----------------|
| 1998 Current Budget Overview | 1- 2 |
| Schedule 1 - Projected 1998 Increase by Spending Envelope | 3 |
| Schedule 2 – Proposed 1998 Budget by Departments | 4- 7 |
| Downloading Impact Update - March 30, 1998 | 8-11 |
| A. Recommended Program Reduction Packages | |
| <i>Referenced to Corresponding Item Number on Lists of Program Reductions</i> | |
| A-1 Confidential | |
| (Detail supporting sheets to be distributed under separate cover) | |
| A-2 Non-Confidential | 12-47 |
| B. Program Enhancements | 48 |
| Recommended | |
| B-1 Environment/Roads - HAQI Initiative | 49-52 |
| B-2 Health/Information Systems – Information Systems Technician | 53-54 |
| B-3 Health - 1998 Administrative Savings Target | 55 |
| B-4 Downtown Co-ordinator | 56-58 |
| B-5 Brownfields Development | 59-60 |
| Not Recommended | |
| B-6 Health/Information Systems – Information Systems Technician | — |
| B-7 Health - Toxicology Consultant | — |
| C. Information Systems- Corporate Initiatives | 61 |
| Program Enhancements | |
| C-1 PC and Notebook Replacements | 62-63 |
| C-2 Increased Support Staff | 64-65 |
| C-3 Network Communications Extensions | 66-67 |
| One Time Items | |
| C-4 Disaster Recovery Strategy Study | 68 |
| C-5 Printer Replacements | 69 |
| C-6 Office 97 Software | 70 |
| C-7 Office 97 Training | 71 |
| C-8 Increase Network Backbone Speed | 72 |
| C-9 Network Extensions | 73 |

1998 CURRENT BUDGET OVERVIEW

Budget Highlights:

A summary of the 1998 Regional Budget Position based on the above-recommended proposals is contained on Schedule 1. The recommended regional levy increase totals \$32.3 million and results in a 5.0% increase *in total tax levies*.

This Budget submission reflects the budget strategy approved by Committee of the Whole at their meeting on February 19, 1998.

- ❑ “Savings Reduction” target achieved in the amount of \$6.1 million resulting in a tax increase of 1 % for base budget increases
- ❑ A “pass through” tax increase of \$26.035 million required to pay for downloading. Resulting in a 4 % tax increase. A downloading update based on the most recent release by the Province is contained on page 8.
- ❑ An overall tax levy increase of 5.0% - down from the original projection of 6.2%

Recommendations by Management Board to be Considered by Council

Budget Reduction Packages (Appendix A)

Since the February 19th meeting, Departments have submitted final budgets. The base budget increase is now projected at an increase of \$11.4 million, a reduction of \$900,000 from the earlier projection of \$12.3 million. Departments have continued efforts to reduce expenditures and identify efficiencies. The base budget contains reductions of 22 full time staff positions.

A number of recommended Budget Reduction packages are being brought forward by the Management Board to meet the remaining savings target in the amount of \$5.2 million (1998 savings). There are an additional 27.2 staffing reductions included in the budget reduction packages.

Program Enhancements (Appendix B)

The following Program Enhancements are being recommended to be incorporated in the 1998 Budget:

- ❑ Environment HAQI Initiative (\$250,000) – This initiative includes the implementation of an annual Tree Planting program for \$100,000 and increased efforts relating to the frequency of dust control efforts in industrial areas for \$150,000.

- Health Information Systems Technician (\$57,000) – This represents the cost for a new staff position required increasing effectiveness in the administrative area.

The above Program Enhancement costs will be offset by administrative savings of \$168,000 identified by the Consultants who conducted a Health Business Review completed earlier in the year. It is proposed savings not achievable in the first year be funded from Working Funds Reserve until savings are realized.

- Brownfields Update – Council Directed (\$30,000) – ECO98-010
This represents 50% (joint initiative with the City of Hamilton) of the annual cost for a staff position and resources required to do research and analysis.
- Downtown Partnership – Council Directed (\$75,000)
This represents 50% (joint initiative with the City of Hamilton) of the annual cost for the position of Downtown Coordinator required for a 5 year term

Other Issues for Consideration:

Information Systems Corporate Initiatives (Appendix C)

A number of Information Corporate Initiatives totaling \$1million are being forwarded to Committee of the Whole for consideration. They consist of a number of one times proposed costs and program enhancements related to additional support staff, training costs and upgrading of all PC's to "Windows 95" technology. A list of these with the related backup is contained in Appendix C. Approval of these initiatives will add an additional .1% increase in total tax levies.

1998 PROJECTED INCREASE BY SPENDING ENVELOPE

(Based on Recommended Proposals)

| | 1997 Approved Net Levy \$millions | 1998 Projected Net Levy \$millions | Increase \$millions | % on Total Tax Levies % |
|--|--|---|------------------------|-------------------------------|
| Net Capital Financing | See Schedule 2-A | 25.2 | 2.7 | 0.4% |
| * Police Services | See Schedule 2-B | 70.3 | (0.4) | -0.1% |
| Outside Boards & Agencies | See Schedule 2-B | 12.7 | 0.2 | 0.0% |
| ** Regional Departments Operating Levy | See Schedule 2-C | 88.6 | (0.2) | 0.0% |
| Corporate Fiscal Issues | See Schedule 2-D | (9.0) | 4.0 | 0.7% |
| TOTAL LEVIES | 181.5 | 187.8 | 6.3 | 1.0% |
| Downloading Impact | 95.4 | 121.4 | 26.0 | 4.0% |
| TOTAL RECOMMENDED LEVIES | 276.9 | 309.2 | 32.3 | 5.0% |
| ADD: | | | | |
| Information Systems Corporate Initiatives See Section C | | | | |
| <input type="checkbox"/> Program Enhancements | | 0.2 | 0.2 | 0.0% |
| <input type="checkbox"/> One-time Costs | | 0.8 | 0.8 | 0.1% |
| TOTAL LEVIES INCL. ENHANCEMENTS | 276.9 | 310.2 | 33.3 | 5.1% |

Note: Total 1997 Tax Levies \$643.6

* Police Services incorporates \$1.0 million absorption of costs related to downloaded highways

** Transit Levy adjusted for route deficits previously included in municipal mill rates now included in Regional mill rate

1997-1998 NET CAPITAL FINANCING COSTS
REGIONAL OPERATING DEPARTMENTS
(000'S)

| | <u>1997</u> | <u>1998</u> | <u>Increase/ (Decrease)</u> |
|---------------------------|-----------------|-----------------|---------------------------------|
| Roads | \$9,278 | \$10,978 | \$1,700 |
| Storm Sewers | 5,826 | 6,493 | 667 |
| Red Hill Creek Expressway | 1,859 | 2,347 | 488 |
| HSR | 2,281 | 2,156 | (125) |
| Macassa Lodge | 862 | 866 | 4 |
| GHTEC | 566 | 566 | 0 |
| Industrial Land | 516 | 516 | 0 |
| Waste Management | 287 | 508 | 221 |
| DARTS | 352 | 384 | 32 |
| Wentworth Lodge | 360 | 359 | (1) |
| Health | 142 | 69 | (73) |
| Travel Forecasting | 16 | 14 | (2) |
| Celebrate | 203 | 0 | (203) |
| TOTAL | \$22,548 | \$25,256 | \$2,707 |

1998 PROPOSED BUDGET - POLICE SERVICES

| | 1997 Levy \$ | 1998 Submitted Budget \$ | Proposed Reductions/ Enhancements \$ | 1998 Proposed Budget \$ | % Change |
|------------------------|--------------------|-----------------------------------|---|----------------------------------|-------------|
| POLICE SERVICES | | | | | |
| Police | 70,688,500 | 71,496,380 | (1,200,000) | 70,296,380 | -0.6% |

1998 PROPOSED BUDGET - OUTSIDE BOARDS AND AGENCIES
(Including Grants to Outside Bodies)

| | 1997 Levy \$ | 1998 Submitted Budget \$ | Proposed Reductions/ Enhancements \$ | 1998 Proposed Budget \$ | % Change |
|---|--------------------|-----------------------------------|---|----------------------------------|-------------|
| BOARDS AND AGENCIES (Including Grants to Outside Bodies) | | | | | |
| Grants to Outside Bodies | 2,555,330 | 2,555,340 | 0 | 2,555,340 | 0.0% |
| * Children's Aid Societies | 3,224,720 | 3,224,720 | 0 | 3,224,720 | 0.0% |
| Conservation Authorities: | | | | | |
| Hamilton Region | 2,912,200 | 2,939,750 | 0 | 2,939,750 | 0.9% |
| Others | 207,980 | 205,840 | 0 | 205,840 | -1.0% |
| Wentworth Library | 2,075,920 | 2,221,170 | 0 | 2,221,170 | 7.0% |
| Royal Botanical Gardens | 814,630 | 814,630 | 0 | 814,630 | 0.0% |
| Debt Charges - McMaster & Warplane | 696,200 | 669,800 | 0 | 669,800 | -3.8% |
| Hamilton Beach Rescue Unit | 40,320 | 40,320 | 0 | 40,320 | 0.0% |
| TOTAL BOARDS AND AGENCIES (Including Grants to Outside Bodies) | 12,527,300 | 12,671,570 | 0 | 12,671,570 | 1.2% |

* Elimination of funding of Children's Aid Societies Included in Downloading Impact

1998 PROPOSED BUDGET - REGIONAL DEPARTMENTS OPERATING LEVIES

| | 1997 Levy \$ | 1998 Submitted Budget \$ | Proposed Reductions/ Enhancements \$ | 1998 Proposed Budget \$ | % Change |
|---|--------------------|-----------------------------------|---|----------------------------------|--------------|
| REGIONAL DEPARTMENTS OPERATING LEVIES (EXCLUDES NET CAPITAL FINANCING) | | | | | |
| <u>LEGISLATIVE / MANAGEMENT GROUP:</u> | | | | | |
| Regional Council (Legislative) | 699,140 | 683,440 | 0 | 683,440 | -2.2% |
| Office of the Regional Chairman | 340,110 | 366,380 | 0 | 366,380 | 7.7% |
| <u>Office of the Chief Administrative Officer:</u> | | | | | |
| Administration / Internal Audit / Emergency Preparedness | 621,640 | 630,320 | (33,500) | 596,820 | -4.0% |
| Emergency Communication System | 495,210 | 811,770 | 0 | 811,770 | 63.9% |
| Investment & Borrowing | (562,370) | (562,370) | 0 | (562,370) | N/A |
| Economic Development / BAC / GHTEC | 2,602,570 | 2,775,210 | 39,450 | 2,814,660 | 8.1% |
| SUBTOTAL | 4,196,300 | 4,704,750 | 5,950 | 4,710,700 | 12.3% |
| <u>CORPORATE SERVICES GROUP:</u> | | | | | |
| Regional Legal Services | 1,102,890 | 1,140,130 | 0 | 1,140,130 | 3.4% |
| Office of the Regional Clerk | 829,940 | 824,490 | 0 | 824,490 | -0.7% |
| Regional Financial Services | 3,408,460 | 3,383,860 | (33,890) | 3,349,970 | -1.7% |
| Human Resources Centre | 1,374,400 | 1,429,180 | (18,580) | 1,410,600 | 2.6% |
| Information Services | 27,600 | 27,600 | 0 | 27,600 | 0.0% |
| SUBTOTAL | 6,743,290 | 6,805,260 | (52,470) | 6,752,790 | 0.1% |
| <u>REGIONAL COMMUNITY SERVICES:</u> | | | | | |
| Ontario Works | 17,595,170 | 18,055,170 | 0 | 18,055,170 | 2.6% |
| Discretionary (excluding Homes for the Aged) | 5,221,960 | 4,903,130 | (236,000) | 4,667,130 | -10.6% |
| Homes for the Aged | 3,273,880 | 3,169,650 | 0 | 3,169,650 | -3.2% |
| SUBTOTAL | 26,091,010 | 26,127,950 | (236,000) | 25,891,950 | -0.8% |
| <u>REGIONAL ENVIRONMENT DEPARTMENT:</u> | | | | | |
| Waste Management | 10,926,330 | 12,546,610 | (894,000) | 11,652,610 | 6.6% |
| Storm Sewers | 2,705,270 | 2,628,700 | 0 | 2,628,700 | -2.8% |
| Corporate Services | 734,780 | 743,520 | (75,000) | 668,520 | -9.0% |
| Strategic Planning / Development | 572,220 | 600,920 | 0 | 600,920 | 5.0% |
| SUBTOTAL | 14,938,600 | 16,519,750 | (969,000) | 15,550,750 | 4.1% |
| REGIONAL HEALTH DEPARTMENT | 2,739,160 | 2,749,560 | (186,000) | 2,563,560 | -6.4% |
| <u>REGIONAL TRANSPORTATION DEPARTMENT:</u> | | | | | |
| Roads | 16,394,000 | 17,305,960 | (462,110) | 16,843,850 | 2.7% |
| Transit (incl. Travel Forecasting) | 15,097,740 | 15,030,520 | (1,200,000) | 13,830,520 | -8.4% |
| Accessible Transportation Services | 2,562,980 | 2,561,460 | (100,000) | 2,461,460 | -4.0% |
| SUBTOTAL | 34,054,720 | 34,897,940 | (1,762,110) | 33,135,830 | -2.7% |
| TOTAL REGIONAL DEPARTMENTS OPERATING LEVIES | 88,763,080 | 91,805,210 | (3,199,630) | 88,605,580 | -0.2% |

1998 PROPOSED BUDGET - CORPORATE FISCAL ISSUES

| | 1997 Levy \$ | 1998 Submitted Budget \$ | Proposed Reductions/ Enhancements \$ | 1998 Proposed Budget \$ | % Change |
|--|---------------------|-----------------------------------|---|----------------------------------|---------------|
| CORPORATE FISCAL ISSUES | | | | | |
| FISCAL SERVICES | | | | | |
| Insurance | 55,780 | 55,780 | 0 | 55,780 | 0.0% |
| Financial Charges - Write-Offs | 2,800,000 | 2,800,000 | 0 | 2,800,000 | 0.0% |
| Financial Charges - Other | 132,300 | 171,820 | 0 | 171,820 | 29.9% |
| Corporate Services Cost Allocation | (1,641,650) | (1,646,380) | 0 | (1,646,380) | 0.3% |
| One-time funding of Leachate Removal Costs | 0 | 0 | (600,000) | (600,000) | N/A |
| Contractual Obligations | 50,000 | 50,000 | 0 | 50,000 | 0.0% |
| Contingency | 0 | 4,000,000 | 0 | 4,000,000 | N/A |
| 1996 Restructuring / MAP Savings | (450,000) | 0 | 0 | 0 | -100.0% |
| Transfer to Working Funds Reserve | 1,750,000 | 2,250,000 | 0 | 2,250,000 | 28.6% |
| SUBTOTAL | 2,696,430 | 7,681,220 | (600,000) | 7,081,220 | 162.6% |
| CORPORATE REVENUES | | | | | |
| • OMSP Grants - General Levy | (11,861,120) | (11,861,120) | 0 | (11,861,120) | 0.0% |
| Supplementary Taxes | (1,774,260) | (2,138,440) | 0 | (2,138,440) | 20.5% |
| Financial Charges - Investment Income | (839,700) | (839,700) | 0 | (839,700) | 0.0% |
| Recovery from Utilities | (1,251,830) | (1,251,830) | 0 | (1,251,830) | 0.0% |
| SUBTOTAL | (15,726,910) | (16,091,090) | 0 | (16,091,090) | 2.3% |
| TOTAL CORPORATE FISCAL ISSUES | (13,030,480) | (8,409,870) | (600,000) | (9,009,870) | -30.9% |

* Loss of OMSP Funding included in Downloading Impact

REGIONAL DOWNLOADING IMPACT UPDATE

BACKGROUND:

On March 31, 1998 the Province released revised financial data as well as explanations of the changes from the December 12th release of data. All Municipalities received:

- Local Services Realignment Cost summary
- Community Reinvestment Fund 1998 Allocation (municipal allocation was based on most recent reassessment and program data)
- A detailed Guide to the Financial Information

Departments have reviewed the latest Provincial estimates and made the necessary adjustments. We have now reflected the latest downloading impact to the Region.

A detailed breakdown of the latest downloading impact by Program Area and a comparison to the Provincial numbers released on March 31, 1998 is contained on **Schedule 1.**

FINANCIAL ANALYSIS:

The total net downloading impact for the Region is now estimated at **\$ 29.833 million** (an increase of \$1.5 million) and a total Region – wide impact of **\$38.7 million** (an increase of \$2.3 million including the impact for the Area Municipalities). The total Regional downloading impact includes the impact of current value assessment changes related to Farm Tax Rebates and Conservation Lands/Managed Forests and the loss of Gross Receipts Taxes from the Province in the amount of \$3.8 million. Excluding these amounts, the **increase in the Regional Levy required to pay for downloading is \$26.035 million and represents a 4 % increase in total tax levies.**

The detailed Guide to the Financial Information details all program information changes and the basis for the revised cost estimates from the last Provincial update. Highlights are contained on Schedule 2.

“True Impact of Downloading”

In reporting to Council, the Region has maintained the position that various other costs should be included to reflect “true” impact of downloading. Below is summary of those costs incorporated in the Region’s estimate of downloading.

| | |
|--|---------------|
| Health – Mandatory Programs & Service Guidelines | \$2.8 million |
| Road Maintenance – Downloaded Highways | \$1.8 million |
| Assessment Appeals related to CVA | \$3.2 million |
| Policing Costs – Downloaded Highways | \$1.0 million |

Transitional Funding:

The Province till March 31, 1999 is providing transitional funding in the amount of \$1.148 million related to the Health Teaching Unit Program. Special Assistance Funding in the amount of \$3.550 million will be provided till the year 2000.

One Time Funding:

The Province has also confirmed a one- time grant allocation of **\$8.394 million** related to "MCORF Transportation Capital Funding". This consists of an allocation for Go Transit capital requirements for \$3.3 million (not yet released by the Province) and for Municipal Transit capital requirements for \$5.093 million (already received by the Region).

REGIONAL DOWNLOADING IMPACT ANALYSIS

(in \$ 000's)

| FUNCTION | Provincial Estimate 30-Mar-98 | Regional Estimate | Difference |
|---|--|------------------------------|----------------------|
| <u>Community Services</u> | | | |
| Social Assistance | 50,069 | 53,893 | 3,824 |
| Child Care | 1,793 | 1,793 | 0 |
| Social Housing | 37,242 | 37,242 | 0 |
| Children's Aid Society | (3,461) | (3,461) | 0 |
| | <u>85,643</u> | <u>89,467</u> | <u>3,824</u> |
| <u>Health Care Services</u> | | | |
| Public Health | 10,566 | 9,773 | (793) ⁽¹⁾ |
| (2) Mandatory Programs & Services Guidelines - Health | 0 | 2,800 | 2,800 |
| | <u>10,566</u> | <u>12,573</u> | <u>2,007</u> |
| <u>Transportation Services</u> | | | |
| Transit (Darts, Transp.) | 17,219 | 17,219 | 0 |
| Go Transit | 3,297 | 3,297 | 0 |
| Land Ambulances | 10,416 | 11,100 | 684 |
| (2) Road Maintenance (Downloading Highways) | 0 | 1,800 | 1,800 |
| | <u>30,932</u> | <u>33,416</u> | <u>2,484</u> |
| <u>Fiscal Services</u> | | | |
| Delivery of Property Assessment Services | 4,440 | 4,440 | 0 |
| (2) Assessment Appeals | 0 | 3,200 | 3,200 |
| Loss of Municipal Support Grants | 11,971 | 11,971 | 0 |
| | <u>16,411</u> | <u>19,611</u> | <u>3,200</u> |
| <u>Protection</u> | | | |
| Police Offences Act | (2,594) | (2,594) | 0 |
| (2) Additional Policing (Downloaded Highways) | 0 | 1,000 | 1,000 |
| | <u>(2,594)</u> | <u>(1,594)</u> | <u>1,000</u> |
| Gross Expenditures | <u>140,958</u> | <u>153,473</u> | <u>12,515</u> |
| LESS: | | | |
| Community Reinvestment Fund (CRF) | (28,482) | (28,482) | 0 |
| Special Assistance Fund | <u>(3,550)</u> | <u>(3,550)</u> | <u>0</u> |
| <u>DOWNLOADING LEVY IMPACT</u> | <u>108,926</u> | <u>121,441</u> | <u>12,515</u> |
| EDUCATION TAX CREDIT | <u>(95,406)</u> | <u>(95,406)</u> | <u>0</u> |
| <u>AMOUNT TO BE TAXED</u> | <u>13,520</u> | <u>26,035</u> | <u>12,515</u> |
| <u>ASSESSMENT RELATED CHANGES</u> | | | |
| Farm Tax/ Managed Forest/ Conservation Lands Rebate | 1,324 | 1,324 | 0 |
| Loss of Gross Receipts Taxes (Region's Share) | <u>2,474</u> | <u>2,474</u> | <u>0</u> |
| TOTAL DOWNLOADING IMPACT | 17,318 | 29,833 | 12,515 |

NOTES:

- (1) \$1.148 million for THUP funding- Transitional Funding to expire by March 31, 1999, offset by additional downloading cost identified by the department of \$355K.
- (2) Added to reflect the "true cost of downloading".

HIGHLIGHTS - "GUIDE TO FINANCIAL INFORMATION"

- **Land Ambulance** – Distribution of costs adjusted to reflect increased level of service and more accurate method of distributing costs using station location as opposed to headquarters. Overall costs have increased to reflect salary arbitration awards identified prior to January 1, 1998, projected heavier demand and contingency costs such as vehicles.
- **Residential Education Room** – Province used 1998 preliminary assessment data (released January 1998) and Provincial Education Tax Rate.
- **Community Reinvestment Fund** – The \$570 million previously reported has been increased by \$30 million. Community Reinvestment Fund Payments to qualifying municipalities will begin before the first payment is due to the Province.
- **Social Housing Costs** – Estimates based on 1998 projected expenditures. Budgets for non-profit providers include \$30 million to reflect the Province's announcement in 1997 that funding for capital replacement reserves will be reinstated. Also Ministry expects that Municipalities will actually pay less as a result of mortgage renewals at lower rates. Transfer of administrative responsibilities expected to occur over the next 3 or 3 years.
- **Social Assistance Costs** - Social Assistance costs have been forecasted at the Provincial level and do not reflect fluctuations at the local level. The Province has provided a cost estimate of approximately \$50 million on March 31, 1998 for the Region of Hamilton- Wentworth. The Region estimates an impact of \$53.9 million based actual invoices received to date and projected expenditures.
- **Provincial Offences Net Revenues** – Revenues dependent on passage of Bill 108 and municipalities signing transfer agreements thereby assuming responsibility for the delivery of the POA program. In the interim, the Province will track revenues deposited as of January 1, 1998.
- **Property Assessment Costs** – Responsibility for property assessment will be returned to municipal sector following negotiations with Ontario Property Assessment Corporation (OPAC). Allocation of costs is based on actual assessment data from files provided to municipalities and actual property counts, as of January 1998. These costs now reflected as upper tier costs.

1998 BUDGET

PROGRAM REDUCTIONS

| Description | FTE | Cat. | 1998 Amount | Annualized Savings | Cumulative 1998 Savings | Cumulative Annualized Savings |
|---|-------------|-------|------------------|-----------------------|-------------------------------|-------------------------------------|
| 1 Police - Remove provision for MRTC lease | 0.0 | FA | 200,000 | 200,000 | 200,000 | 200,000 |
| 2 See Confidential Package | 0.5 | PI | 18,580 | 24,150 | 218,580 | 224,150 |
| 3 Shared Services - City of Hamilton savings | 0.0 | PI | 33,890 | 67,770 | 252,470 | 291,920 |
| 4 HSR - MRTC Lease | 0.0 | RG | 100,000 | 200,000 | 352,470 | 491,920 |
| 5 Fiscal - Fund Leachate Removal from Capital Gains | 0.0 | FA | 600,000 | 800,000 | 952,470 | 1,291,920 |
| 6 Ec. Dev. - Relocation of GHTEC/BAC | 0.0 | PI | 65,550 | 131,100 | 1,018,020 | 1,423,020 |
| 7 See Confidential Package | 2.0 | PI | 50,000 | 100,000 | 1,068,020 | 1,523,020 |
| 8 ATS - Eliminate One-time expenditure | 0.0 | FA | 100,000 | 100,000 | 1,168,020 | 1,623,020 |
| 9 See Confidential Package | 1.0 | PI | 50,000 | 50,000 | 1,218,020 | 1,673,020 |
| 10 See Confidential Package | 1.0 | PI | 25,000 | 50,000 | 1,243,020 | 1,723,020 |
| 11 Env. - Reduce Leachate Collection/Trucking at Glanbrook Landfill | 0.0 | SL | 600,000 | 600,000 | 1,843,020 | 2,323,020 |
| 12 Env. - Development revenues | 0.0 | RG | 100,000 | 100,000 | 1,943,020 | 2,423,020 |
| 13 Police - Absorb policing of downloaded highways | 0.0 | SL | 1,000,000 | 1,000,000 | 2,943,020 | 3,423,020 |
| 14 HSR - Contract Improvements | 0.0 | PI | 100,000 | 200,000 | 3,043,020 | 3,623,020 |
| 15 See Confidential Package | 2.4 | PI | 55,000 | 55,000 | 3,098,020 | 3,678,020 |
| 16 Env. - Transfer Station Fees | 0.0 | RG | 250,000 | 1,000,000 | 3,348,020 | 4,678,020 |
| 17 See Confidential Package | 2.0 | PI | 17,500 | 35,000 | 3,365,520 | 4,713,020 |
| 18 See Confidential Package | 1.0 | PI | 12,500 | 25,000 | 3,378,020 | 4,738,020 |
| 19 See Confidential Package | 13.0 | PI | 300,000 | 875,000 | 3,878,020 | 5,613,020 |
| 20 Roads - Winter Control averaging | 0.0 | FA | 329,110 | 329,110 | 4,007,130 | 5,942,130 |
| 21 See Confidential Package | 1.8 | PI | 33,500 | 67,000 | 4,040,630 | 6,009,130 |
| 22 Env. - Increasing Blue Box usage | 0.0 | RG | 40,000 | 80,000 | 4,080,630 | 6,089,130 |
| 23 Env. - Municipal Waste diverted from SWARU | 0.0 | RG | 4,000 | 8,000 | 4,084,630 | 6,097,130 |
| 24 HSR - Elimination of Inter-Municipal Charges | 0.0 | FA | 250,000 | 250,000 | 4,334,630 | 6,347,130 |
| 25 Roads - Traffic - cross-walks | 0.0 | SL | 45,000 | 45,000 | 4,379,630 | 6,392,130 |
| 26 Com. Serv. - Dental Program (for SARS) Efficiencies | 0.0 | PI | 3,000 | 10,000 | 4,382,630 | 6,402,130 |
| 27 Roads - Winter Control - snow removal | 0.0 | SL | 33,000 | 100,000 | 4,415,630 | 6,502,130 |
| 28 Roads - Drainage - ditching & entrance repairs | 0.0 | SL | 150,000 | 150,000 | 4,565,630 | 6,652,130 |
| 29 See Confidential Package | 1.8 | SL | 54,000 | 108,000 | 4,619,630 | 6,760,130 |
| 30 See Confidential Package | 0.7 | SL | 21,000 | 42,000 | 4,640,630 | 6,802,130 |
| 31 HSR - Fare Increase | 0.0 | RG | 400,000 | 800,000 | 5,040,630 | 7,602,130 |
| 32 Com. Serv. - Second Level Lodging Home (uploading) | 0.0 | SL/FA | 203,000 | 500,000 | 5,243,630 | 8,102,130 |
| 27.2 | | | | | | |
| 35 See Confidential Package | 0.7 | SL | 21,000 | 42,000 | 5,284,630 | 8,144,130 |
| 36 Fiscal - Reduce transfer to Working Funds Reserve | 0.0 | FA | 500,000 | 500,000 | 5,784,630 | 8,644,130 |
| 37 See Confidential Package | 1.0 | PI | 0 | 260,000 | 5,784,630 | 8,904,130 |
| 38 Env. - Discontinue Private Drain repairs (Storm Levy) | 0.0 | SL | 87,500 | 175,000 | 5,852,130 | 9,079,130 |
| 39 Com. Serv. - Special Income - no low income program | 0.0 | SL | 15,000 | 30,000 | 5,867,130 | 9,109,130 |
| 40 See Confidential Package | 2.5 | SL | 75,000 | 150,000 | 5,942,130 | 9,259,130 |
| 41 Com. Serv. - Spec. Inc. - eliminate all non-health related items | 0.0 | SL | 55,000 | 108,200 | 5,997,130 | 9,367,330 |
| 42 Com. Serv. - Discontinue Seniors Day Program | 0.0 | SL | 14,000 | 28,000 | 6,011,130 | 9,395,330 |
| 43 Roads - Surface - resurfacing | 0.0 | SL | 160,000 | 160,000 | 6,171,130 | 9,555,330 |
| 44 Fiscal - Further reduction transfer to Working Funds Reserve | 0.0 | FA | 500,750 | 500,750 | 6,671,880 | 10,056,080 |
| 45 See Confidential Package | 1.0 | SL | 14,900 | 45,000 | 6,686,780 | 10,101,080 |
| 46 Fiscal - Reduce contingency | 0.0 | FA | 350,000 | 350,000 | 7,036,780 | 10,451,080 |
| 47 HSR - Modification of Grant-in-Lieu | 0.0 | FA | 850,000 | 850,000 | 7,886,780 | 11,301,080 |
| Total | 32.4 | | 7,886,780 | 11,301,080 | | |

Item 35 is incremental to Item 29

* No form provided

Legend:

- FA Financial Adjustment
- SL Service Levels
- RG Revenue Generators
- PI Productivity Implications

A 4

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

DEPARTMENT: REGIONAL TRANSPORTATION DEPARTMENT - PUBLIC TRANSIT

PROGRAM: ENGINEERING

CENTRE: Description MRTC # VARIOUS

TITLE/DESCRIPTION:

MRTC Lease

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☒ Financial Adjustments ☐ Service Levels ☐

In 1998 the DARTS operation will move to the MRTC which will reduce corporate operating costs between 150-200 annually.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

Gross Program Centre Cost: \$ VARIOUS
1998 Submitted Budget

Gross Cost Of Program Changes: \$ (100,000)
Additions/(Reduction)

Decrease in Staff Complement: N/A
(if any)

Cost Allocation Impacts: \$ VARIOUS
(if any)

1998 Net Levy Impact: \$ (100,000)

Net Annualized Levy Impact: \$ (200,000)

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

6

DEPARTMENT: Economic Development

PROGRAM: GHTEC/BAC

CENTRE: Description GHTEC/BAC # 821100

TITLE/DESCRIPTION:

Relocation of GHTEC/BAC

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

The Enterprise Centre, Entrepreneurial Programs, and the BAC are consolidated into a Regional One-Stop Business Centre and relocate to a prime downtown location.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

The primary criteria for the relocation of the GHTEC operations are to improve the delivery and accessibility of these services to the community. The downtown location provides clients the ability to access them by public transit or to park free. They would be closer to banks, lawyers, accountants and other government services. The downtown location would also provide better public access to services by the education community.

These operations would also be incorporated in the 1998 Regional One-Stop Business Centre.

Gross Program Centre Cost: \$ 712,800
1998 Submitted Budget

Gross Cost of Program Changes: \$ (77,100)
Additions/(Reduction)

Decrease in Staff Complement: N/A
(if any)

Cost Allocation Impacts: \$ N/A
(if any)

1998 Net Levy Impact: \$ (65,550)

Net Annualized Levy Impact: \$ (131,100)

DEPARTMENT: Economic DevelopmentPROGRAM GHTEC/BAC

16-5

Centre Description: GHTEC/BACCentre #: 821100

| | (A) 1998 | (B) 1998 | C=(A)-(B) 1998 | |
|--------------------|------------------------------|--|--------------------------|-----------------------------|
| <u>COSTS</u> | Maintenance <u>Budget</u> | Program <u>Change</u> (6 months) | Revised <u>Budget</u> | Annualized <u>Impact</u> |
| Building exp. | 162,600 | 0 | 162,600 | 0 |
| Mgmt. fees | 159,750 | (12,375) | 147,375 | (24,750) |
| Accom Allow | 33,000 | (16,500) | 16,500 | (33,000) |
| BAC Levy | 19,350 | (9,675) | 9,675 | (19,350) |
| Debt Charges | 566,100 | 0 | 566,100 | |
| TOTAL COSTS | 940,800 | (38,550) | 902,250 | (77,100) |

RECOVERIES

| | | | | |
|---------------------|---------|----------|---------|----------|
| Tenant Services | 0 | 13,500 | 13,500 | 27,000 |
| Trsfer fr Accom Res | 33,000 | (16,500) | 16,500 | (33,000) |
| Rentals & Leases | 195,000 | 30,000 | 225,000 | 60,000 |

| | | | | |
|-------------------|----------------|---------------|----------------|---------------|
| RECOVERIES | 228,000 | 27,000 | 255,000 | 54,000 |
|-------------------|----------------|---------------|----------------|---------------|

| | | | | |
|-----------------|----------------|-----------------|----------------|------------------|
| NET LEVY | 712,800 | (65,550) | 647,250 | (131,100) |
|-----------------|----------------|-----------------|----------------|------------------|

*Cost Allocation
to Other Departments

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|----------------------|-----------------------|---------------------------|-------------------------|-------------------------------|
| -Mgr of BAC | | July 1/98 | FT | N/A | N/A |
| -2 Stenos | | July 1/98 | FT | N/A | N/A |

Salaries were previously in BAC Management fees.

-
-

1998 PROPOSED PROGRAM CHANGES

#14

5% REDUCTION

DEPARTMENT: REGIONAL TRANSPORTATION DEPARTMENT - PUBLIC TRANSIT

PROGRAM: VARIOUS

CENTRE: Description VARIOUS # N/A

TITLE/DESCRIPTION:

Contract Improvements

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications X Revenue Generators Financial Adjustments Service Levels

Part of HSR's negotiation strategy is to negotiate changes in the collective agreements that will result in ongoing savings of \$200,000 per year.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

Gross Program Centre Cost: \$ VARIOUS
1998 Submitted Budget

Gross Cost Of Program Changes: \$ (200,000)
Additions/(Reduction)

Decrease in Staff Complement: N/A
(if any)

Cost Allocation Impacts: \$ N/A
(if any)

1998 Net Levy Impact: \$ (100,000)

Net Annualized Levy Impact: \$ (200,000)

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

20

DEPARTMENT: Regional Transportation Department - Roads Division

PROGRAM: Programming & Maintenance

CENTRE: Road Maintenance - Regional & Contractual # various

TITLE/DESCRIPTION:

Winter Control - Snow Averaging

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications X Revenue Generators Financial Adjustments Service Levels

Winter control activities are increased or decreased based on an average of 5 year actual expenditure which reflects the cyclical nature of winter weather. Analysis of winter control expenditures to date of Regional forces indicate, that due to weather conditions, it is estimated that the first 4 months of this year will be on or under target. The request for snow averaging increase of \$311,920 for existing regional roads and \$17,190 for downloaded highways can be deferred for 1998.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

While there is a risk in eventually depleting the snow reserve by not using the 5 year averaging procedure consistently, there is a reasonable buffer in the snow reserve to cover 1998 even if the November/December experience is severe.

Gross Program Centre Cost: \$ 0
1998 Submitted Budget

Gross Cost Program Changes: \$ (329,110)
Additions/(Reduction)

Decrease in Staff Complement: 0
(if any)

Cost Allocation Impacts: \$ 0
(if any)

1998 Net Levy Impact: \$ (329,110)

Net Annualized Levy Impact: \$ (329,110)

DEPARTMENT: Regional Transportation - Roads Division**PROGRAM: Programming & Maintenance****Centre Description: Roads Maintenance - Regional & Contractual****Centre #: various**
(A) - (B)

| <u>COSTS</u> | <u>Account #</u> | (A) | (B) | <u>1998 Revised Budget</u> |
|--------------|------------------|-------------------------------|--------------------------------|--------------------------------|
| | | <u>Maintenance Budget</u> | <u>1998 Program Change</u> | |
| Salary | 51702 | | (114,440) | |
| Benefits | | | | |
| Contractual | | | | |
| Service | 53991 | | (214,670) | |

TOTAL COSTS (329,110)**RECOVERIES**

Subsidies
Fees & Charges
Transfer from
Reserve

TOTAL RECOVERIES 0**NET LEVY** (329,110)

*Cost Allocation
to Other Departments 0

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| NOT APPLICABLE | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES

24

5% REDUCTION

DEPARTMENT: REGIONAL TRANSPORTATION DEPARTMENT - PUBLIC TRANSIT

PROGRAM: TRANSPORTATION SERVICES

CENTRE: Description STOPS/LOOPS/SHELTERS # 324130

TITLE/DESCRIPTION:

Elimination of inter-municipal charges.

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☒ Service Levels ☐

That the municipalities stop charging the HSR for snow clearing and litter removal at bus stops.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

All area municipalities will be responsible to set and pay for their own level of service for snow clearing and litter removal at bus stops located within their own municipality.

Gross Program Centre Cost: \$ 797,540
1998 Submitted Budget

Gross Cost Of Program Changes: \$ (250,000)
Additions/(Reduction)

Decrease in Staff Complement: N/A
(if any)

Cost Allocation Impacts: \$ -
(if any)

1998 Net Levy Impact: \$ (250,000)

Net Annualized Levy Impact: \$ (250,000)

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

25

DEPARTMENT: Regional Transportation Department - Roads Division

PROGRAM: Programming & Maintenance

CENTRE: Road Maintenance - Regional & Contractual # various

TITLE/DESCRIPTION:

Traffic Services - Cross Walks

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels X ☐

The level of service would be cut by 50% by painting the cross-walks once per year for those now painted twice per year and once every two years for those now painted annually.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

The impact would be primarily one of aesthetics as the lines should be sufficiently visible so as not to cause undue safety problems.

Gross Activity Cost: \$ 90,000
1998 Submitted Budget

Gross Cost Program Change: \$ (45,000)
Additions/(Reduction)

Decrease in Staff Complement: 0
(if any)

Cost Allocation Impacts: \$ 0
(if any)

1998 Net Levy Impact: \$ (45,000)

Net Annualized Levy Impact: \$ (45,000)

DEPARTMENT Regional Transportation - Roads Division**PROGRAM** Programming & Maintenance**CENTRE** Roads Maintenance - Regional & Contractual**Centre #:** various(A) (B)
1998

(A) - (B)

Maintenance

1998

1998

COSTSAccount #BudgetProgram ChangeRevised BudgetSalary
Benefits
Contractual
Service

53991

90,000

(45,000)

45,000

TOTAL COSTS**90,000****(45,000)****45,000****RECOVERIES**Subsidies
Fees & Charges
Transfer from
Reserve**TOTAL RECOVERIES****0****0****0****NET LEVY****90,000****(45,000)****45,000*****Cost Allocation**

to Other Departments

0**0****0****STAFF COMPLEMENTS:**

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|

NOT APPLICABLE

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

26

DEPARTMENT: Community Services

PROGRAM: Child & Home Support Division

CENTRE: Description Special Income # 3

TITLE/DESCRIPTION:

Dental Program for Social Assistance Recipients (emergency dental work for eligible clients).

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications X Revenue Generators Financial Adjustments Service Levels X

- By partnering with the Public Health Department's Dental Unit, the Department hopes to have a better and more efficient diagnostic service available for all eligible clients.

- There should not be any loss in service but there should be a decrease in costs paid to dentists.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

- May take some time to implement.
- May be some concerns raised by dentists.

| | |
|---------------------------------------|-------------------|
| Gross Program Centre Cost: | \$541,260 |
| 1998 Submitted Budget | |
| Gross Cost Of Program Changes: | \$(15,000) |
| Additions/(Reduction) | |
| Decrease in Staff Complement: | --- |
| (if any) | |
| Cost Allocation Impacts: | \$--- |
| (if any) | |
| 1998 Net Levy Impact: | \$3,000 |
| Net Annualized Levy Impact: | \$10,000 |

DEPARTMENT: Community ServicesPROGRAM: Child & Home SupportCentre Description: Special Income - Dental Services

Centre #: _____

| | | (A) 1998 Maintenance Budget | (B) 1998 Program Change | (A) - (B) 1998 Revised Budget |
|--------------|------------------|--------------------------------------|-------------------------------|-------------------------------------|
| <u>COSTS</u> | <u>Account #</u> | | | |

| | | | | |
|----------------------|-------|-----------|------------|-----------|
| Salary | | | | |
| Benefits | | | | |
| Contractual Services | 57338 | \$541,260 | (\$15,000) | \$526,260 |

| | | | | |
|--------------------|--|-----------|------------|-----------|
| TOTAL COSTS | | \$541,260 | (\$15,000) | \$526,260 |
|--------------------|--|-----------|------------|-----------|

RECOVERIES

Subsidies
Fees & Charges
Transfer from
Reserve

| | | | | |
|-------------------------|--|-----------|------------|-----------|
| TOTAL RECOVERIES | | \$433,008 | (\$12,000) | \$421,008 |
|-------------------------|--|-----------|------------|-----------|

| | | | | |
|-----------------|--|-----------|-----------|-----------|
| NET LEVY | | \$108,252 | (\$3,000) | \$105,252 |
|-----------------|--|-----------|-----------|-----------|

*Cost Allocation
to Other Departments

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| - | | | | | |
| - | n/a | | | | |
| - | | | | | |
| - | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

27

DEPARTMENT: Regional Transportation Department - Roads Division

PROGRAM: Programming & Maintenance

CENTRE Road Maintenance - Regional & Contractual # various

TITLE/DESCRIPTION:

Winter Control - Snow Removal

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

Except in circumstances related directly to safety, the activity of snow removal, (that is the actual trucking away of accumulated snow on the roads), would be discontinued. This will result in a 77% reduction in the level of service.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

Immediately, after very heavy snowfalls, the roads would not be brought back to their full capacity to carry traffic. This will result in additional congestion on the roads with increased pollution emissions due to idling vehicles, as well as increased vehicle accidents related to the reduced capacity of the lanes. Snow removal would only be implemented for safety or severe congestion reasons.

| | | |
|-------------------------------|----|------------------|
| Gross Activity Cost: | \$ | <u>130,000</u> |
| 1998 Submitted Budget | | |
| Gross Cost Program Changes: | \$ | <u>(33,000)</u> |
| Additions/(Reduction) | | |
| Decrease in Staff Complement: | | <u>0</u> |
| (if any) | | |
| Cost Allocation Impacts: | \$ | <u>0</u> |
| (if any) | | |
| 1998 Net Levy Impact: | \$ | <u>(33,000)</u> |
| Net Annualized Levy Impact: | \$ | <u>(100,000)</u> |

DEPARTMENT Regional Transportation - Roads Division**PROGRAM** Programming & Maintenance**CENTRE:** Roads Maintenance - Regional & Contractual**Centre #:** various

(A) (B)

(A) - (B)

1998

Maintenance

1998

1998

COSTSAccount #BudgetProgram ChangeRevised Budget

Salary

Benefits

Contractual

Service

53991

130,000

(33,000)

97,000

TOTAL COSTS**130,000****(33,000)****97,000****RECOVERIES**

Subsidies

Fees & Charges

Transfer from

Reserve

TOTAL RECOVERIES**0****0****0****NET LEVY**

130,000

(33,000)

97,000

***Cost Allocation**

to Other Departments

0

0

0

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|

NOT APPLICABLE

* Attach detail schedule of charges

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

28

DEPARTMENT: Regional Transportation Department - Roads Division

PROGRAM: Programming & Maintenance

CENTRE: Road Maintenance - Regional & Contractual # various

TITLE/DESCRIPTION:

Drainage - Ditching and entrance repairs

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

A reduction of 17% in the level of service for ditching on rural roads.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

Ditching is undertaken to both prevent flooding of the roadway and adjacent properties and to ensure that the road base is drained so as not to be subject to frost heaves in the spring, resulting in increased surface maintenance costs. A reduction in the service level will delay the elimination of existing flooding problems and increase the long term surface maintenance costs.

Gross Activity Cost: \$ 870,000
1998 Submitted Budget

Gross Cost Program Changes: \$ (150,000)
Additions/(Reduction)

Decrease in Staff Complement: See next page
(if any)

Cost Allocation Impacts: \$ 0
(if any)

1998 Net Levy Impact: \$ (150,000)

Net Annualized Levy Impact: \$ (150,000)

DEPARTMENT: Regional Transportation - Roads Division**PROGRAM: Programming & Maintenance****CENTRE: Roads Maintenance - Regional & Contractual****Centre #: various**

| <u>COSTS</u> | <u>Account #</u> | (A) | (B) | <u>1998 Revised Budget</u> |
|--------------------|------------------|-------------------------------|-----------------------|--------------------------------|
| | | 1998 | 1998 | |
| | | <u>Maintenance Budget</u> | <u>Program Change</u> | |
| Salary | | | | |
| Benefits | | | | |
| Contractual | | | | |
| & Regional Forces | | 870,000 | (150,000) | 720,000 |
| <hr/> | | | | |
| TOTAL COSTS | | 870,000 | (150,000) | 720,000 |

RECOVERIES

Subsidies
Fees & Charges
Transfer from
Reserve

| | | | |
|-------------------------|----------|----------|----------|
| TOTAL RECOVERIES | 0 | 0 | 0 |
|-------------------------|----------|----------|----------|

| | | | |
|-----------------|----------------|------------------|----------------|
| NET LEVY | 870,000 | (150,000) | 720,000 |
|-----------------|----------------|------------------|----------------|

***Cost Allocation**

| | | | |
|----------------------|---|---|---|
| to Other Departments | 0 | 0 | 0 |
|----------------------|---|---|---|

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| - | | | | | |
| - | | | | | |
| - | | | | | |
| - | | | | | |

Results in Regional staff reductions. However, no staff will be laid off, and less staff hired to provide service for the downloaded highways

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES

5% REDUCTION

31

DEPARTMENT: REGIONAL TRANSPORTATION DEPARTMENT - PUBLIC TRANSIT

PROGRAM: GENERAL REVENUES

CENTRE: Description GENERAL REVENUES # 326110

TITLE/DESCRIPTION:

Fare Increase

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☒ Financial Adjustments ☐ Service Levels ☐

See Attached

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

See Attached

Gross Program Centre Cost: \$ VARIOUS
1998 Submitted Budget

Gross Cost Of Program Changes: \$ (800,000)
Additions/(Reduction)

Decrease in Staff Complement: N/A
(if any)

Cost Allocation Impacts: \$ -
(if any)

1998 Net Levy Impact: \$ (400,000)

Net Annualized Levy Impact: \$ (800,000)



H.S.R. FARE CONSIDERATIONS

1. Discount Fare Strategy

- Infrequent Users: High Cash Fare \$1.75
- Occasional Users: Reduced Ticket Price \$1.45
- Regular, Frequent Users: Monthly Pass \$56.00

2. Fewer Fare Categories

- Concession fares require customer to display I.D.
- Reduce potential for Operator-Customer fare disputes.

3. Minimize Hardship and Ridership Loss

- Provide options to each group.

4. Support Improved Revenue/Cost Performance

- 50% revenue / cost by year 2000.



H.S.R. FARE STRATEGY FOR 1998

- Target 5% increase in revenue per trip.
- Increase basic cash fare to \$2.00 for all groups.
 - Many pay more than \$1.75 now.
 - All groups have ticket option available (200 vendors).
- Include seniors in same group as adults.
 - Seniors have Senior Annual Pass as low cost option.
- Eliminate child cash fare.
 - Few trips (about 1%).
 - Reduces student fare evasion (paying child fare).
 - Children still have low cost ticket.



PROPOSED FARE PLAN FOR 1998

| | |
|---|-----------------|
| Adult / Seniors | |
| Cash Fare | \$2.00 |
| Tickets | \$1.50 |
| Monthly Pass | \$58.00 |
| Student / Children | |
| Cash Fare | \$2.00 |
| Ticket | \$1.15 |
| Monthly Pass | \$43.00 |
| Children Under 5 Years | Free |
| Senior Annual Pass (Over 65) | \$165.00 |
| McMaster University Pass Program | \$58.00 |
| College Semester Pass | \$195.00 |

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

32

DEPARTMENT: Community Services

PROGRAM: Child & Home Support Division

CENTRE: Description 2nd Level Lodging Homes # 4

TITLE/DESCRIPTION:

Clients are provided board and lodging under the Second Level Lodging Home Program.

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☒ Service Levels ☒

- The Province cost-shared the Region's Second Level Lodging Home program on a 80:20 basis under the Provincial Domiciliary Hostel Program. Effective January 1, 1998, the Province will no longer provide its 80% of the funding and therefore the full cost will fall to the Region.
- The recipients of the Lodging Homes are seniors, psychiatrically disabled and developmentally handicapped. Staff have discovered that, in fact, the 113 residents who are in the "developmentally handicapped" group are the Province's responsibility and should be funded 100% by the Province under the Ministry of Health's supportive housing program.
- Staff propose to "upload" this responsibility to the Province.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

32-B

- The change in funding and/or accommodation could take a few months to negotiate.
- The Province may not accept responsibility for these residents.
- Without these housing supports, these residents will have to find alternative housing; they may end up in our emergency hostel program or "on the street".

| | |
|---------------------------------------|--------------------|
| Gross Program Centre Cost: | \$3,368,940 |
| 1998 Submitted Budget | |
| Gross Cost Of Program Changes: | \$(203,000) |
| Additions/(Reduction) | |
| Decrease in Staff Complement: | --- |
| (if any) | |
| Cost Allocation Impacts: | \$--- |
| (if any) | |
| 1998 Net Levy Impact: | \$203,000 |
| Net Annualized Levy Impact: | \$500,000 |

DEPARTMENT: Community ServicesPROGRAM: Child & Home SupportCentre Description: Lodging Homes/Hostels

Centre #: _____

(A) (B)

(A) - (B)

1998

Maintenance

1998

1998

COSTSAccount #BudgetProgram ChangeRevised Budget

Salary

Benefits

Contractual

604410

\$3,330,530

\$203,000

\$3,127,530

Services

57421

TOTAL COSTS

\$3,330,530

\$203,000

\$3,127,530

RECOVERIES

Subsidies

Fees & Charges

Transfer from

Reserve

--

TOTAL RECOVERIES**NET LEVY**

\$3,330,530

\$203,000

\$3,127,530

*Cost Allocation

to Other Departments

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| - | | | | | |
| - | | | | | |
| - | | | | | |
| - | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

39

DEPARTMENT: Community Services

PROGRAM: Child & Home Support Division

CENTRE: Description Special Income - Low Income # 5

TITLE/DESCRIPTION:

Various supports (i.e., surgical supplies, optical services, dentures, cribs, dental services, prosthetic appliances and medical travel to eligible low income clients)

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

- Staff have ascertained that shortly all low income clients will no longer be eligible for cost-sharing of special income items by the Province. We expect that the Region will be responsible for 100% of these costs by mid-year. Currently, the Province cost-shares these services at 50:50 level.
- Since these services will be a 100% Regional responsibility, the discontinuation of this program can be considered.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

39B

- 280 units of services will not be provided on an annualized basis for such clients. Many of them will have to use their limited resources to obtain such items and will have to cut back on other necessities.
- The Province has, as yet, not established the effective date for this funding change.

| | |
|--------------------------------|------------|
| Gross Program Centre Cost: | \$83,250 |
| 1998 Submitted Budget | |
| Gross Cost Of Program Changes: | \$(41,625) |
| Additions/(Reduction) | |
| Decrease in Staff Complement: | --- |
| (if any) | |
| Cost Allocation Impacts: | \$--- |
| (if any) | |
| 1998 Net Levy Impact: | \$15,000 |
| Net Annualized Levy Impact: | \$29,460 |

DEPARTMENT: Community ServicesPROGRAM: Child & Home SupportCentre Description: Special Income - Low Income

Centre #: _____

| | | (A) | (B) | (A) - (B) |
|-------------------------|------------------|---------------|----------------|----------------|
| | | 1998 | 1998 | 1998 |
| | | Maintenance | Program Change | Revised Budget |
| <u>COSTS</u> | <u>Account #</u> | <u>Budget</u> | | |
| Salary | | | | |
| Benefits | | | | |
| Contractual | 605340 | \$83,250 | (\$41,625) | \$41,625 |
| Services | | | | |
| TOTAL COSTS | | \$83,250 | (\$41,625) | \$41,625 |
| RECOVERIES | | | | |
| Subsidies | | \$53,790 | (\$26,625) | \$27,165 |
| Fees & Charges | | | | |
| Transfer from | | | | |
| Reserve | | | | |
| TOTAL RECOVERIES | | \$53,790 | (\$26,625) | \$27,165 |
| NET LEVY | | \$29,460 | (\$15,000) | \$14,460 |

*Cost Allocation
to Other Departments

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| - | | | | | |
| - | n/a | | | | |
| - | | | | | |
| - | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

41

DEPARTMENT: Community Services

PROGRAM: Child & Home Support

CENTRE: Description Special Income # 7

TITLE/DESCRIPTION:

Provides a variety of special income items such as optical services, dentures, prosthetic appliances, vocational training, dental services, home and appliance repairs, cribs and funeral and burials to social assistance recipients, OAS and CPP recipients.

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

- Elimination of all non-medical related services, i.e., vocational training, psychiatric assessments, home and appliance repairs and cribs.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

41-B

- Social assistance recipients, old age security recipients, CPP recipients and other fixed income clients will no longer be eligible for these services and will have to stretch their already reduced monthly benefits to meet these needs.
- Can not be implemented until July, 1998.

Gross Program Centre Cost: \$3,228,540
1998 Submitted Budget

Gross Cost Of Program Changes: \$(199,900)
Additions/(Reduction)

Decrease in Staff Complement: ---
(if any)

Cost Allocation Impacts: \$---
(if any) (WCB)

1998 Net Levy Impact: \$55,000

Net Annualized Levy Impact: \$108,178

DEPARTMENT: Community Services

PROGRAM: Child & Home Support

Centre Description: Special Income

605320

Centre #: 605360

| | | (A) 1998 Maintenance Budget | (B) 1998 Program Change | (A) - (B) 1998 Revised Budget |
|-------------------------|------------------|--------------------------------------|-------------------------------|-------------------------------------|
| <u>COSTS</u> | <u>Account #</u> | | | |
| Salary | 57337 | | | |
| Benefits | 57342 | | | |
| Contractual Services | 57346 57344 | \$399,800 | (\$199,900) | \$199,900 |

| | | | | |
|--------------------|--|-----------|-------------|-----------|
| TOTAL COSTS | | \$399,800 | (\$199,900) | \$199,900 |
|--------------------|--|-----------|-------------|-----------|

RECOVERIES

| | | | | |
|--------------------------|--|-----------|-------------|-----------|
| Subsidies | | \$291,622 | (\$144,900) | \$146,722 |
| Fees & Charges | | | | |
| Transfer from Reserve | | | | |

| | | | | |
|-------------------------|--|-----------|-------------|-----------|
| TOTAL RECOVERIES | | \$291,622 | (\$144,900) | \$146,722 |
|-------------------------|--|-----------|-------------|-----------|

| | | | | |
|-----------------|--|-----------|------------|----------|
| NET LEVY | | \$108,178 | (\$55,000) | \$53,178 |
|-----------------|--|-----------|------------|----------|

*Cost Allocation
to Other Departments

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| - | | | | | |
| - | n/a | | | | |
| - | | | | | |
| - | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

42

DEPARTMENT: Community Services

PROGRAM: Homes for the Aged

CENTRE: Description Seniors Day Program # 6

TITLE/DESCRIPTION:

The Macassa Lodge Seniors' Day Program provides the only day program on Hamilton Mountain. The program provides a wheelchair accessible, therapeutic, recreational program for frail or socially isolated persons generally over the age of 60.

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

- Eliminate the program.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

42-8

- The Macassa Lodge Seniors' Day Program is the only Day Program on the Hamilton Mountain.
- This program provides direct care and services to frail, elderly individuals who, without this support, may be to be institutionalized. These therapeutic Day Care services provide much needed respite for primary family caregivers.
- The elimination of this Program, which costs the Region \$28,000, will reduce Provincial funding of Community Support Services for seniors in Hamilton-Wentworth by \$113,000.
- The loss of this service will put more strain on the remaining Community Support Services for seniors and will increase the waiting lists for admissions to Long-Term Care facilities.
- Cessation of the Macassa Lodge Seniors' Day Program will increase costs to the Health Care System with a higher utilization of acute and long-term care beds.
- The Seniors' Day Program clearly supports the Region's initiatives regarding Sustainable Development and the elimination of this program would undermine the Region's efforts to date to assist senior taxpayers to continue to reside in their own homes.

| | |
|---------------------------------------|-------------------|
| Gross Program Centre Cost: | \$195,090 |
| 1998 Submitted Budget | |
| Gross Cost Of Program Changes: | \$(97,545) |
| Additions/(Reduction) | |
| Decrease in Staff Complement: | 3.6 |
| (if any) | |
| Cost Allocation Impacts: | \$5,270 |
| (if any) (WCB) | |
| 1998 Net Levy Impact: | \$14,000 |
| Net Annualized Levy Impact: | \$28,050 |

DEPARTMENT: Community ServicesPROGRAM: Homes for the AgedCentre Description: Seniors Day ProgramCentre #: 604420

| | (A) | (B) | (A) - (B) |
|--------------|------------------|----------------|----------------|
| | 1998 | 1998 | 1998 |
| | Maintenance | Program Change | Revised Budget |
| <u>COSTS</u> | <u>Account #</u> | <u>Budget</u> | |
| Salary | | | |
| Benefits | | | |
| Contractual | | | |
| Services | | | |

| | | | |
|--------------------|-----------|------------|----------|
| TOTAL COSTS | \$195,090 | (\$97,545) | \$97,545 |
|--------------------|-----------|------------|----------|

RECOVERIES

| | | | |
|-----------------------|-----------|------------|----------|
| Subsidies | \$113,070 | (\$56,535) | \$56,535 |
| Fees & Charges | \$53,970 | (\$26,985) | \$26,985 |
| Transfer from Reserve | | | |

| | | | |
|-------------------------|-----------|------------|----------|
| TOTAL RECOVERIES | \$167,040 | (\$83,520) | \$83,520 |
|-------------------------|-----------|------------|----------|

| | | | |
|-----------------|----------|------------|----------|
| NET LEVY | \$28,050 | (\$14,025) | \$14,025 |
|-----------------|----------|------------|----------|

*Cost Allocation
to Other Departments

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
| -Prog. Wrkr | 14B | | 2.6 FTE | | \$117,929 |
| -Wellness Wrkr | 16A | | 1.0 FTE | | \$46,101 |
| - | | | | | |
| - | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES
5% REDUCTION

43

DEPARTMENT: Regional Transportation Department - Roads Division

PROGRAM: Programming & Maintenance

CENTRE: Road Maintenance - Regional & Contractual # various

TITLE/DESCRIPTION:

Surface Maintenance - resurfacing

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☐ Service Levels ☒

Reduction of 14.5% in the level of service for surface maintenance. The reduction will directly affect those activities associated with the rideability of the road system.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

The timely application of asphalt overlays to short areas of deteriorated asphalt roadway results in smoother riding roads and reduces the life cycle cost of maintaining the road surface. A reduction in the service level will result in a decrease in the rideability of many roads and will result in increased long term costs.

Gross Activity Cost: \$ 1,100,000
1998 Submitted Budget

Gross Cost Program Changes: \$ (160,000)
Additions/(Reduction)

Decrease in Staff Complement: See note on ^{next} page
(if any)

Cost Allocation Impacts: \$ 0
(if any)

1998 Net Levy Impact: \$ (160,000)

Net Annualized Levy Impact: \$ (160,000)

DEPARTMENT: Regional Transportation - Roads DivisionPROGRAM: Programming & MaintenanceCENTRE: Roads Maintenance - Regional & ContractualCentre #: various

(A) (B)

(A) - (B)

1998

Maintenance

1998

1998

COSTSAccount #BudgetProgram ChangeRevised Budget

Salary

Benefits

Contractual

& Regional Forces

1,100,000

(160,000)

940,000

TOTAL COSTS**1,100,000****(160,000)****940,000****RECOVERIES**

Subsidies

Fees & Charges

Transfer from

Reserve

TOTAL RECOVERIES**0****0****0****NET LEVY****1,100,000****(160,000)****940,000**

*Cost Allocation

to Other Departments

0

0

0

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Savings</u> | <u>Annualized Savings</u> |
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|
|------------------|------------------|-------------------|-----------------------|---------------------|---------------------------|

-

- Results in Regional staff reductions. However, no staff will be laid off, and less staff hired to provide service for the downloaded highways

-

-

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

1998 PROPOSED PROGRAM CHANGES

5% REDUCTION

47

DEPARTMENT: REGIONAL TRANSPORTATION DEPARTMENT - PUBLIC TRANSIT

PROGRAM: VARIOUS

CENTRE: Description VARIOUS # N/A

TITLE/DESCRIPTION:

Modification of grant-in-lieu.

CHANGES PROPOSED: (See Page 3 for definitions of the following categories)

CHECK ONE: Productivity Implications ☐ Revenue Generators ☐ Financial Adjustments ☒ Service Levels ☐

Currently the HSR pays property taxes for it's two major locations. Part of the taxes paid goes directly to the Region. Approval of the change will allow the Region to credit back this portion to the HSR operation.

CONSEQUENCES OF IMPLEMENTING PROPOSED CHANGES:

Gross Program Centre Cost: \$ VARIOUS
1998 Submitted Budget

Gross Cost Of Program Changes: \$ VARIOUS
Additions/(Reduction)

Decrease in Staff Complement: N/A
(if any)

Cost Allocation Impacts: \$ -
(if any)

1998 Net Levy Impact: \$ (850,000)

Net Annualized Levy Impact: \$ (850,000)

1998 BUDGET

PROGRAM ENHANCEMENTS

| Department | Description | FTE | 1998 Amount |
|--------------------|------------------------------------|-----|----------------|
| <i>Recommended</i> | | | |
| Environment | HAQI Initiative | 0 | 250,000 |
| Health/IS | Information Systems Technician | 1 | 57,000 |
| Health | 1998 Administrative Savings Target | -7 | (168,000) |
| Economic Dev. | Downtown Coordinator | 0 | 75,000 |
| Economic Dev. | Brownfields Initiative | 0 | 30,000 |
| Total Recommended | | -6 | \$ 244,000 |

Not Recommended

| | | | | |
|------------------------------|-----------|--------------------------------|----------|-------------------|
| B-6 | Health/IS | Information Systems Technician | 1 | 45,000 |
| B-7 | Health | Toxicology Consultant | 1 | 80,000 |
| Total Not Recommended | | | 2 | \$ 125,000 |

CURRENT - NEW/ENHANCED PROGRAMS

NO: _____

DEPARTMENT: Regional Environment

PROGRAM ORIGIN:

PROGRAM: Strategic Planning Division

Mandated _____

Council ☒ (ENV97109(A))

Department _____

CENTRE: Description Air Quality Program - Tree Planting # NewTITLE: Hamilton-Wentworth Air Quality Initiative

DESCRIPTION: Programs to improve air quality in Hamilton-Wentworth through the implementation of an annual Tree Planting Program.

BENEFITS/OBJECTIVES: Air quality is a significant concern for people living in the community, particularly as it affects their health. Data on air quality in Hamilton-Wentworth has been studied. It was found that a minimum of 90 people die prematurely every year in the Regional Municipality and over 300 are admitted to hospital. Particulate, sulphates and ground level ozone are priority pollutants. Sources of particulate and ozone are industry, urban activities (primarily traffic) and long range transport. A good deal of the problem is beyond the control of the Region, so a "lead by example" approach is proposed. Programs undertaken by Environment Department complement those undertaken by the Transportation and Public Health Departments. Programs housed in the Regional Environment Department will minimize pollution effects by planting trees, encouraging residents to reduce automobile and household emissions, and supporting the creation of an ongoing co-ordinating body to address air quality issues.

CONSEQUENCES OF NOT DOING: Air Quality issues are multi-disciplinary and multi-jurisdictional. Leadership is needed to create the co-ordinating body. The leadership will be lacking if the Region does not undertake this role. If the "lead by example" activities are not adopted, air quality will not improve and the credibility of the Region as a leader on this issue will be damaged.

PERFORMANCE MEASUREMENTS: Creation of an ongoing coordinating body to address air quality issues. Planting of trees on Regional Lands and a similar number in the back yards of Regional residents.

Gross Program Centre Cost: \$ 0New/Enhanced ProgramGross Cost Of New/Enhanced \$100,0001998 Net Levy Impact: 100,000Increase in Staff Complement: N/ANet Annualized Levy Impact: \$100,000

PROGRAM COST INFORMATION

DEPARTMENT: Regional Environment PROGRAM: Strategic PlanningCentre Description: Air Quality Program - Tree Planting Centre #: New

| <u>COSTS</u> | (A) 1997 Maintenance <u>Budget</u> | (B) 1998 Budget <u>With New Pgm</u> | (B) - (A) 1998 <u>Cost</u> | <u>Annualized Cost</u> |
|--|---|--|----------------------------------|----------------------------|
| Tree Planting Forum | 0 | 3,000 | 3,000 | 3,000 |
| Tree Inventory | 0 | 5,000 | 5,000 | 5,000 |
| Tree Program Development and Implementation | 0 | 53,600 | 53,600 | 53,600 |
| Support to Coordinating Body | 0 | 16,000 | 16,000 | 16,000 |
| McMaster Particulate Source Analysis | 0 | 22,400 | 22,400 | 22,400 |
| TOTAL COSTS | <u>0</u> | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |
| <u>RECOVERIES</u> | | | | |
| TOTAL RECOVERIES | 0 | 0 | 0 | 0 |
| NET LEVY IMPACT | <u>0</u> | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |

STAFF COMPLEMENTS:

No Increase

CURRENT - NEW/ENHANCED PROGRAMS

NO: _____

DEPARTMENT: Regional Transportation - Roads Division

PROGRAM ORIGIN:

PROGRAM: Programming & Maintenance

Mandated _____

Council ☒ (TRA9814a)

Department _____

CENTRE: Description Studies & Maintenance # various

TITLE: Road Monitoring & Testing/Regional & Contractual Maintenance

DESCRIPTION: Programmes to improve air quality in Hamilton-Wentworth through the implementation of a pilot programme to reduce fugitive dust.

BENEFITS/OBJECTIVES: As part of the Hamilton air Quality Initiative, there are recommendations relating to a dust control programme expansion. This proposed programme includes initiatives related to increasing the frequency of dust control efforts in industrial areas and on higher volume roads.

These include increasing the frequency of sweeping, flushing and catchbasin cleaning on arterial roads in industrial areas, and on arterial roads in urban area with traffic volumes > 5,000 AADT. It also includes implementing improvements to anti-mud tracking provisions in the roads/streets by-laws to prevent mud tracking on to the travelled portion of the road and adding conditions to subdivisions agreements, site plan agreements, etc. to forbid mud-tracking.

CONSEQUENCES OF NOT DOING: Air Quality issues are multi-disciplinary and multi-jurisdictional. Leadership is needed to create a co-ordinating body. The leadership will be lacking if the Region does not undertake this role. If the "lead by example" activities are not adopted, air quality will not improve and the credibility of the Region as a leader on this issue will be damaged.

PERFORMANCE MEASUREMENTS: The 1998 programme is structured as a test to develop reduction measurement that is realistically and statistically valid, and that this programme be evaluated after one year. Three or four specific districts will be identified for a pilot programme, and a specialist consultant will be retained to implement a proper monitoring system. The 1998 programme includes \$100,000 for sweeping and flushing and \$50,000 for consultants and administration.

Gross Program Centre Cost: \$ 0

New/Enhanced Program

Gross Cost Of New/Enhanced \$150,000

1998 Net Levy Impact: \$150,000

Increase in Staff Complement: N/A

Net Annualized Levy Impact: \$150,000

PROGRAM COST INFORMATION

DEPARTMENT: RTD - Roads Division PROGRAM: Programming & MaintenanceCentre Description: Studies /Maintenance Centre #: New

| | (A) 1997 Maintenance <u>Budget</u> | (B) 1998 Budget <u>With New Pgm</u> | (B) - (A) 1998 <u>Cost</u> | <u>Annualized Cost</u> |
|-------------------------|---|--|----------------------------------|----------------------------|
| <u>COSTS</u> | | | | |
| Maintenance | 0 | 100,000 | 100,000 | 100,000 |
| Consultants | 0 | 50,000 | 50,000 | 50,000 |
| TOTAL COSTS | <u>0</u> | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> |
| <u>RECOVERIES</u> | | | | |
| TOTAL RECOVERIES | 0 | 0 | 0 | 0 |
| NET LEVY IMPACT | <u>0</u> | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> |

STAFF COMPLEMENTS:

No Increase

98PIFIS

CURRENT - NEW/ENHANCED PROGRAMS

NO: _____

DEPARTMENT: Regional Public Health

PROGRAM ORIGIN:

PROGRAM: Finance & Administration

Mandated
Council XX
Department _____

CENTRE: Description Administration/Information Systems # 502100

TITLE: Information Systems Support Technician

DESCRIPTION:

Partial implementation of Recommendation #24 of the Council approved RPHD Organizational Structure & Administrative Processes Review Final Study Report which recommended that "end user computing support should be provided through the addition of two information systems support specialists".

BENEFITS/OBJECTIVES:

The consultants indicated that the RPHD suffers from a lack of qualified information technology support. With increased end user computer support there is potential to reduce administrative workloads and improve the effectiveness of professional and administrative staff through department-wide up-grading (ie Regional Network/MSMail) and integration of systems, and use of consistent software and training. These resources will support the reduction in administrative staff - see Savings PIF).

CONSEQUENCES OF NOT DOING:

Staff effectiveness and efficiency will continue to be compromised as front-line and administrative staff will continue to "trouble-shoot" day-to-day systems/computer problems. In addition, the RPHD upgrade to the Regional Standard (Network/MSMail) could be delayed. Department-wide consistency for software and training will be delayed.

PERFORMANCE MEASUREMENTS:

| | | | |
|-------------------------------|---------------------|-----------------------------|------------------|
| Gross Program Centre Cost: | <u>\$ 1,588,740</u> | <u>New/Enhanced Program</u> | |
| Gross Cost Of New/Enhanced | <u>\$ 57,000</u> | 1998 Net Levy Impact: | <u>\$ 28,500</u> |
| Increase in Staff Complement: | <u>1.00 FTE</u> | Net Annualized Levy Impact: | <u>\$ 57,000</u> |

PROGRAM COST INFORMATION

B-2B

DEPARTMENT: Regional Public Health Department PROGRAM: Finance & Administration
 Centre Description: Administration/Information Systems Centre #: 502100

| <u>COSTS</u> | <u>Account #</u> | (A) 1998 <u>Maintenance Budget</u> | (B) 1998 <u>Budget With New Pgm</u> | (B) - (A) <u>1998 Cost</u> | <u>Annualized Cost</u> |
|-----------------|------------------|--|---|-----------------------------------|----------------------------|
| Salary | 51601 | 309,290 | 333,650 | 24,360 | 48,720 |
| Benefits | 51801 | 52,580 | 56,720 | 4,140 | 8,280 |
| Office Supplies | | | | | |
| Equipment | | | | | |
| -- | | | | | |
| -- | | | | | |

TOTAL COSTS

RECOVERIES

Subsidies
 Fees & Charges
 --
 --

TOTAL RECOVERIES

| | | |
|--|--------|--------|
| NET LEVY IMPACT | 28,500 | 57,000 |
| *Cost Allocation to Other Departments | | |

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Cost</u> | <u>Annualized Cost</u> |
|-----------------------------------|----------------------|-----------------------|---------------------------|------------------|----------------------------|
| - | | | | | |
| -Information Systems Support Tech | | 07-01-98 | 1.00 FT | 28,500 | 57,000 |
| - | | | | | |
| - | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

NOTE:

- Provide a breakdown of the estimates and how they were arrived at (i.e. similar programs, computation)
- Indicate any long range financial implications of this program.

98PIFSV

CURRENT - NEW/ENHANCED PROGRAMS

NO: _____

DEPARTMENT: Regional Public Health

PROGRAM ORIGIN:

PROGRAM: Administrative Savings - Business Process Re-engineering

Mandated _____
Council XX
Department _____

CENTRE: Description Various Centres - Target Administrative Savings # Various #'s

TITLE: Department-wide Administrative Business Process Re-engineering Savings

DESCRIPTION:

To implement Recommendations #20 & #21 of the Council approved Organizational Structure & Administrative Processes Review Final Study that identified that significant administrative savings were available across the RPHD. The savings areas to be identified via detailed business process re-engineering on the Purchasing, Accounts Payable, Cash Collections, Human Resource Information Management/Processing, Resource Centre Management, Records Management, Public Information Services, and Facilities Management processes.

BENEFITS/OBJECTIVES:

At present many administrative processes and procedures are time-consuming, complex, cumbersome, and lengthy. Detailed business process re-engineering will significantly streamlined and simplified resulting with improved organizational performance and reduced administrative costs.

CONSEQUENCES OF NOT DOING:

Significant administrative costs will not be removed from the RPHD. Administrative processes and procedures will remain with duplicate effort, unnecessary steps and record keeping, fragmented effort, and underutilized staff and computer systems.

PERFORMANCE MEASUREMENTS:

| | | |
|-------------------------------|---------------------------|---|
| Gross Program Centre Cost: | \$ <u>various</u> | <u>New/Enhanced Program</u> |
| Gross Cost Of New/Enhanced | \$ <u><168,000></u> | 1998 Net Levy Impact: \$ <u><168,000></u> |
| Increase in Staff Complement: | <u><7.00 FTE></u> | Net Annualized Levy Impact: \$ <u><168,000></u> |

(Collins/Eisenberger)

That the following be approved:

"Downtown Partnership and Downtown Visioning

- a) That the concept of a Downtown Partnership and Downtown Visioning Workshop, as set out in the attached document, be approved; and
- b) That the Chief Administrative Officers of the City of Hamilton and the Regional Municipality of Hamilton-Wentworth report back with a proposed budget to support this initiative."

CARRIED.

(Marrone/Jackson) That the Committee of the Whole Rise and Report.

CARRIED.

The Regional Chairman reported that the various reports of officials and Committees presented in Committee of the Whole were received and adopted as presented.

(Anderson/Kelly) That the Report of the Committee of the Whole, be received and adopted as presented.

CARRIED.

BY-LAW

(Etherington/O'Sullivan) That Bill No. 2701, be passed, that the corporate seal be affixed thereto and the by-law be signed by the Regional Chairman and the Regional Clerk, and numbered as R98-006:

R98-006 Being a By-law to confirm the proceedings of Council at its special meeting held January 27, 1998. (Bill No. 2701)

CARRIED.

On motion (Caplan/Kiss) Council adjourned at 6:20 p.m.

CARRIED.

Regional Chairman

Regional Clerk

DOWNTOWN PARTNERSHIPS
&
DOWNTOWN VISIONING WORKSHOP

A. VIDEO

- ◆ THE CHATTANOOGA STRATEGY - 11 MINUTES

B. DOWNTOWN PARTNERSHIP BOARD

1.
 - ◆ MEMBERSHIP OF 13 TO BE SELECTED BY THE MAYOR AND THE CHAIRMAN *REGIONAL*
 - ◆ MEMBERSHIP OF 15 TO INCLUDE BOTH THE MAYOR AND THE *REGIONAL* CHAIRMAN

2. DOWNTOWN CO-ORDINATOR

- ◆ TO BE FUNDED FOR 5 YEARS JOINTLY BY THE CITY AND THE REGION
- ◆ ROLES AND RESPONSIBILITIES TO BE FINALIZED AT THE WORKSHOP
- ◆ TO BE HIRED BY THE DOWNTOWN PARTNERSHIP BOARD

3. DOWNTOWN PARTNERSHIP BOARD

- ◆ RELATIONSHIP WITH CITY COUNCIL AND REGIONAL COUNCILS
- ◆ DECISION-MAKING ROLE (SEE ATTACHED)
- ◆ ADVISORY ROLE (SEE ATTACHED)

C. WORKSHOP

- ◆ FRIDAY, FEBRUARY 27, 1998 - TOWN HALL MEETING
- ◆ SATURDAY, FEBRUARY 28, 1998 - WORKSHOP
 1. SETTING THE STAGE FOR ACTION
 - REMARKS BY KEY COMMUNITY LEADERS
 2. DEVELOPMENT WORKSHOP THEMES
 3. PARTICIPANTS BREAK OUT INTO FOCUS GROUPS
 4. REPORTS FROM THE FOUR FOCUS GROUPS
 5. DEVELOPMENT OF AN ACTION PLAN

Downtown Partnership

1. Decision-Making Role

- a) develop a Downtown marketing program, in coordination with the BIAs and the Region's Economic Development Office;
- b) develop an investor's prospectus for investments in residential, commercial or mixed-use property development (focussing on servicing needs, development costs, "permitting", cost of doing business, potential lease revenues, etc.);
- c) develop a venture-capital fund to permit business expansions and conversions and to enable investors to invest directly in downtown businesses and properties;
- d) with the support of the BIA's, engage in local and out-of-town tenant recruiting in keeping with the downtown marketing program (eg. software development, design studios, targeted types of retailing, call-centre locations, etc.);
- e) bring together land-owners, property owners and development interests on a block-by-block or street-segment basis, to identify potential for land assembly and redevelopment opportunities;
- f) solicit private-sector, foundation, and senior-level government funding for its programs and activities; and,
- g) recruit and direct a Downtown Coordinator.

2. Advisory Role

- a) prior to Committee and Council consideration, to advise on the size, content and priority of the Downtown capital works budgets of the City of Hamilton and the Region on Hamilton-Wentworth;

REGION OF HAMILTON-WENTWORTH
- RECOMMENDATION -

1.2
B-5

DATE: 1998 March 18

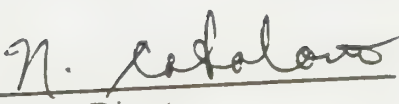
REPORT TO: Chairman and Members
Economic Development and Tourism Committee

FROM: Mr. Nick Catalano
Director

SUBJECT: Brownfields Update ECO/98-010

RECOMMENDATION:

- a) That the joint Brownfields Initiatives report be received.
- b) That the funding requirements, \$30,000 in 1998 to match the City of Hamilton portion, be referred to the budget process for consideration.



Nick Catalano, Director
Office of Economic Development

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

N/A

SUSTAINABLE DEVELOPMENT IMPLICATIONS:

(Vision 2020, adopted by Regional Council as their vision for the future of Hamilton-Wentworth, embodies the concept of a sustainable community which is an equal balance of the economy, the environment, and social/health factors in all regional decision-making).

N/A

BACKGROUND:

The joint Hamilton-Wentworth Region/City of Hamilton "Brownfields Initiatives Committee" continues to gain momentum as it nears the one year mark. The private sector dominated Task Force was convened on January 23, 1998, composed of 12 senior people from local corporations; Philip Services, Royal LePage, CIBC, Coopers & Lybrand, MOEE, Ministry of Finance, Stelco, Dofasco, and the Hamilton Harbour Commission. The initial meeting began with a demonstration of the PaRCIL generated mapping system followed by a detailed discussion concerning the direction and future actions of the steering committee and the task force respectively.

Some of the major issues requiring further study and clarification involve: a pilot project, the legal authorization from property owners to be included in an inventory, the potential for municipal/provincial/federal incentives (ie. Tax Incremental Financing and required legislation), a brownfields redevelopment policy, a no fee zone and a cost comparative analysis of developing greenfield versus brownfield sites. One of the surprising benefits of the session was comments from some of the large property owners who are reconsidering their existing property needs and identifying surplus parcels for complementary redevelopment.

The Brownfields Initiative, at a Region and City level is being undertaken by staff from several departments, none of which are dedicated to the project on a full-time basis. The Office of Economic Development has a graduate student on a six-month contract who is responsible for most of the basic research and analysis. This position and resources are stretched to the limit and consideration is required to establish a joint/equal funding mechanism from the Region of Hamilton-Wentworth and the City of Hamilton. Estimated funding is approximately \$60,000.

The Region/City steering committee will be meeting before the end of March and with the broader Task Force in early April developing a strategic direction.

NMC/NE/sdb

BIBLIOGRAPHIC RECORD

Enter BIB # : 1079082

| | | | | |
|----|------------------|----|---|-----|
| 1 | CODOC # | | CA3ONHWR04 | C71 |
| 2 | CORPORATE AUTHOR | 1/ | | |
| 3 | OTH CORP AUTHOR | 1/ | | |
| 4 | TITLE | | Current Budget. | |
| 5 | OTHER TITLE(S) | 1/ | | |
| 6 | SERIES | | | |
| 7 | SERIES NUMBER | 1/ | | |
| 8 | PUBDATE | | | |
| 9 | FREQUENCY | 1/ | Annual | |
| 10 | HOLDINGS SUMMARY | | 1974 - | |
| 11 | LANGUAGE | | English. | |
| 12 | KEYWORDS | 1/ | | |
| 13 | NOTES | 1/ | Current Issues Held in Urban/municipal -- Earlier Iss | |
| | | | es Held in Special Collections. | |
| 14 | FORMAT | | GOVDOC | |
| 15 | CODOC AUTHOR | 1/ | Hamilton-Wentworth Regional Municipality, Ont. Dept. | |
| | | | f Finance | |

=== more data ===

#, File, Quit, Delete, Update(#), <enter> :

Keyword Issue (Public Finance)

APPENDIX C

1998 BUDGET

INFORMATION SYSTEMS - CORPORATE INITIATIVES

| Description | FTE | 1998 Amount |
|-------------|-----|----------------|
|-------------|-----|----------------|

Program Enhancements

| | | | |
|--------------|-----------------------------------|----------|-------------------|
| C-1 | PC and Notebook Replacements | 0 | 88,000 |
| C-2 | Increased Support Staff | 3 | 87,000 |
| C-3 | Network Communications Extensions | 0 | 16,300 |
| Total | | 3 | \$ 191,300 |

One-Time Costs

| | | | |
|--------------|--------------------------------------|----------|-------------------|
| C-4 | Disaster Recovery Strategy Study | 0 | 10,000 |
| C-5 | Printer Replacements | 0 | 125,000 |
| C-6 | Office 97 Software for Region | 0 | 240,000 |
| C-7 | Office 97 Training | 0 | 150,000 |
| C-8 | Increase Network Backbone Speed | 0 | 100,000 |
| C-9 | Network Extensions to Remote Offices | 0 | 130,000 |
| Total | | 0 | \$ 755,000 |

CURRENT - NEW/ENHANCED PROGRAMS

C-1

NO:

DEPARTMENT: Information Systems

PROGRAM: Hardware and File Services

NATURE: Hardware

LE: PC Lease and Maintenance

PROGRAM ORIGIN:

Mandated

Council

Department X (3 of 3)

DESCRIPTION:

Replace the currently owned PC and Notebooks that are incapable of running Windows 95 with leased units.

NEFITS/OBJECTIVES:

Regional Staff will be able to exchange documents with all Regional staff and external business contacts that currently use Windows 95 and software.

CONSEQUENCES OF NOT DOING:

Staff with the technologically obsolete equipment will not be able to connect their PC to the Corporate network, nor will they be able to access Email, or Internet Mail, or exchange documents with other internal staff or external contacts.

PERFORMANCE MEASUREMENTS:

Program Centre Cost: \$ 466,260

New/Enhanced Program \$554,260

Cost Of New/Enhanced \$ 88,000

1998 Net Levy Impact: \$ 88,000

Increase in Staff Complement: none

Net Annualized Levy Impact: \$ 175,000

PROGRAM COST INFORMATION

C-1B

DEPARTMENT: Information Systems
 PROGRAM: Hardware and File Services
 Centre Description: PC Lease & Maintenance

| <u>COSTS</u> | <u>Account #</u> | (A) 1997 Maintenance Budget | (B) 1998 Budget With New Pgm | (B) - (A) 1998 Cost | Annualized Cost |
|-------------------------|------------------|--------------------------------------|---------------------------------------|---------------------------|--------------------|
| Rent Computer Equipment | | 420,630 | 508,630 | 508,630 | 595,630 |
| PC Maintenance | | 31,230 | 31,230 | 31,230 | 31,230 |
| File Services | | 14,400 | 14,400 | 14,400 | 14,400 |
| TOTAL COSTS | | 466,260 | 554,260 | 554,260 | 641,260 |
| RECOVERIES | | 466,260 | 466,260 | 446,260 | 446,260 |
| Regional Departments | | 466,260 | 466,260 | 446,260 | 446,260 |
| TOTAL RECOVERIES | | 446,260 | 446,260 | 446,260 | 446,260 |
| NET LEVY IMPACT | | 0 | 88,000* | 88,000* | 175,000* |

* Transferred to Regional Departments after approval

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Cost</u> | <u>Annualized Cost</u> |
|------------------|----------------------|-----------------------|---------------------------|------------------|----------------------------|
| N/A | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

NOTE:

- Provide a breakdown of the estimates and how they were arrived at (i.e. similar programs, computation)
- Indicate any long range financial implications of this program.

CURRENT - NEW/ENHANCED PROGRAMS

C-2

NO:

DEPARTMENT: Information Systems

PROGRAM: Computer Support Services

NATURE: Support Services

ROLE: End User Computer Support

PROGRAM ORIGIN:

Mandated

Council

Department X (2 of 3)

DESCRIPTION:

Increase the number of Computer Support Service Technicians to one technician per 120 computers in service in the Regional Departments.

NEEDS/OBJECTIVES:

The Region currently has more than 655 PCs in service (except Police and HSR). Support for the Regions PCs is provided by only one Service Technician. The current support level is one technician per 218 PCs. This is well below the industry "rule of thumb" of one technician per 120 PCs. The indications of the current lack of adequate support are: equipment is not installed for days or weeks of arrival; a backlog of PCs that have not been retrofitted to Windows 95; the inability to release technicians for training due to the extensive backlog of support requests; several new products and services are not being released or are being deferred; and the diversion of staff in the departments to technician support roles due to the lack of Support Technicians.

CONSEQUENCES OF NOT DOING:

Ongoing loss of productivity in the departments as users are affected by delays in equipment and software installation and support for technology. Ongoing diversion of departmental staff resources to compensate for the lack of support resources. The loss of use of temporary technology tools due to the lack of installation and support resources. Ongoing high stress levels for the remaining support technicians and ongoing user frustration with inadequate technology support and training.

PERFORMANCE MEASUREMENTS:

Future support service requirements will be based on Performance Measurements including efficiency (e.g. cost per call) and effectiveness (e.g. response time per call category and customer satisfaction). The infrastructure required to perform comprehensive Performance Measurement is in the process of being implemented. (Automated Call Tracking and Resource Utilization Reporting).

Base Program Center Cost: \$ 235,820

New/Enhanced Program \$ 322,820

Less Cost Of New/Enhanced \$ 87,000

1998 Net Levy Impact: \$ 87,000

Increase in Staff Complement: 3 (City)

Net Annualized Levy Impact: \$ 175,000

PROGRAM COST INFORMATION

DEPARTMENT: Information Systems
Centre Description: Computer Support Services

PROGRAM: Support Services
Center#:

| COSTS | Account # | (A) 1997 Maintenance Budget | (B) 1998 Budget With New Pgm | (B) - (A) 1998 Cost | Annualized Cost |
|-------------------------|-----------|--------------------------------------|---------------------------------------|---------------------------|--------------------|
| | | | | | |
| Salary | | 161,500 | 232,180 | 232,180 | 303,670 |
| Benefits | | 28,890 | 41,530 | 41,530 | 54,320 |
| Staff Training | | 8,400 | 12,080 | 12,080 | 15,790 |
| Staff Travel | | 260 | 260 | 260 | 260 |
| Meetings | | 250 | 250 | 250 | 250 |
| Office Supplies | | 250 | 250 | 250 | 250 |
| Books | | 160 | 160 | 160 | 160 |
| Software | | 3,600 | 3,600 | 3,600 | 3,600 |
| Subscriptions | | 250 | 250 | 250 | 250 |
| Operating Supplies | | 1,020 | 1,020 | 1,020 | 1,020 |
| Car Pool | | 1,500 | 1,500 | 1,500 | 1,500 |
| Administration | | 29,740 | 29,740 | 29,740 | 29,740 |
| TOTAL COSTS | | 235,820 | 322,820 | 322,820 | 410,820 |
| RECOVERIES | | | | | |
| Regional Departments | | 235,820 | 235,820 | 235,820 | 235,820 |
| TOTAL RECOVERIES | | 235,820 | 235,820 | 235,820 | 235,820 |
| NET LEVY IMPACT | | 0 | 87,000* | 87,000* | 175,000* |

* Transferred to Regional Departments after approval

STAFF COMPLEMENTS:

| Job Title | Job Level | Start Date | # and Status** | 1998 Cost | Annualized Cost |
|---|--------------|---------------|-------------------|-----------|--------------------|
| N/A (Resources contracted from Information Systems) | | | | | |

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

NOTE:

- Provide a breakdown of the estimates and how they were arrived at (i.e. similar programs, computation)
- Indicate any long range financial implications of this program.

CURRENT - NEW/ENHANCED PROGRAMS

C-3

NO:

DEPARTMENT: Information Systems

PROGRAM ORIGIN:

PROGRAM: Corporate Communications Network

Mandated

Council

Department X (1 of 3)

CENTRE: Corporate Network

FILE: Region Network Communications Extensions

DESCRIPTION:

Connect eight remote office locations (e.g. Health Mountain Office), to the Corporate Network and increase network speed between two data centers (Wentworth North and downtown)

NEFITS/OBJECTIVES:

1 additional Regional staff having access to the Corporate Communications network they will be able to access Corporate Work Services (Email, Calendaring, Internet, Intranet). They will also be able to exchange documents with all Regional staff currently connected to the Corporate network both within their department as well as all other departments.

CONSEQUENCES OF NOT DOING:

Staff at remote office locations will continue to be electronically isolated from other staff in their departments and the corporation resulting in the continued use of secondary communications paths (faxes, telephones)

PERFORMANCE MEASUREMENTS:

| | | | |
|-------------------------------|------------|-----------------------------|------------|
| Program Centre Cost: | \$ 298,710 | New/Enhanced Program | \$ 315,010 |
| Cost Of New/Enhanced | \$ 16,300 | 1998 Net Levy Impact: | \$ 16,300 |
| Increase in Staff Complement: | none | Net Annualized Levy Impact: | \$ 19,800 |

PROGRAM COST INFORMATION

DEPARTMENT: Information Systems

PROGRAM: Corporate Communications Network

Centre Description: Region Corporate Network

| <u>COSTS</u> | <u>Account #</u> | (A) 1997 Maintenance Budget | (B) 1998 Budget With New Pgm | (B) - (A) 1998 Cost | Annualized Cost |
|-------------------------|------------------|--------------------------------------|---------------------------------------|---------------------------|--------------------|
| Salary | | 0 | 0 | 0 | 0 |
| Benefits | | 0 | 0 | 0 | 0 |
| Software | | 10,600 | 10,600 | 10,600 | 10,600 |
| Cables/Connections | | 3,070 | 3,070 | 3,070 | 3,070 |
| Computer Equipment | | 123,030 | 123,030 | 123,030 | 123,030 |
| Contractual Services | | 80,760 | 80,760 | 80,760 | 80,760 |
| Communications Circuits | | 24,570 | 40,870 | 40,870 | 44,370 |
| Equipment Repair | | 19,010 | 19,010 | 19,010 | 19,010 |
| Administration | | 37,670 | 37,670 | 37,670 | 37,670 |
| TOTAL COSTS | | 298,710 | 315,010 | 315,010 | 318,510 |
| RECOVERIES | | 298,710 | 298,710 | 298,710 | 298,710 |
| Regional Departments | | 298,710 | 298,710 | 298,710 | 298,710 |
| TOTAL RECOVERIES | | 298,710 | 298,710 | 298,710 | 298,710 |
| NET LEVY IMPACT | | 0 | 16,300* | 16,300* | 19,800* |

* Transferred to Regional Departments after approval

STAFF COMPLEMENTS:

| <u>Job Title</u> | <u>Job Level</u> | <u>Start Date</u> | <u># and Status**</u> | <u>1998 Cost</u> | <u>Annualized Cost</u> |
|------------------|----------------------|-----------------------|---------------------------|------------------|----------------------------|
|------------------|----------------------|-----------------------|---------------------------|------------------|----------------------------|

N/A

* Attach detail schedule of charges

** Identify # of positions and status, eg, Full-time=FT, Part-time=PT, Contract=C

NOTE:

- Provide a breakdown of the estimates and how they were arrived at (i.e. similar programs, computation)
- Indicate any long range financial implications of this program.

ONE-TIME ITEM FORM

C-4

Department:

Information Systems

Description of One-Time Item:

Disaster Recovery Strategy Study

Justification for One-Time Item:

Although the Corporation's data from computers and servers managed by Information Systems is stored offsite, the Corporation does not currently have disaster recovery capability in the event that the data centers become unavailable for an extended period of time. Disaster recovery capability was the subject of previous budget considerations but deferred due to fiscal considerations. With the increasing reliance on information technology for business operations, and the data recovery complexities being introduced with network computing, it is strongly recommended that comprehensive disaster recovery capability be initiated.

1998 Costs

Proposed
1998 Costs
\$20,000

Description of Expenditures

- Consulting Services

20,000

-

\$20,000

Recoveries

- City of Hamilton (Shared Cost)

\$10,000

- Other Possible Recoveries

(ie, salvage value)

0

Net Levy Impact

\$10,000

ONE-TIME ITEM FORM

C-5

1. Department: **Information Systems**
2. Description of One-Time Item: **Replacement of PC Printers**
3. Justification for One-Time Item:

Approximately 150 printers in Regional departments are technologically obsolete as they are incapable of handling print jobs from Windows software products. This one-time cost would upgrade these printers for Windows 95 products.

4. 1998 Costs

Proposed
1998 Costs
\$125,000

Description of Expenditures

- Equipment/Hardware

125,000

-

\$125,000

Recoveries

- Other Possible Recoveries
(ie, salvage value)

0

Net Levy Impact

\$125,000

Department:

Information Systems

Description of One-Time Item:

Office Software for Region

Justification for One-Time Item:

The DOS-based software, which has been used by the Region for 10 years, is now obsolete and needs to be upgraded to windows-based software. Windows-based software is now in common use in business and industry.

1998 Costs

Proposed
1998 Costs
 \$240,000

Description of Expenditures

- Equipment/Hardware

240,000

-

 \$240,000
Recoveries
 - Other Possible Recoveries
 (ie, salvage value)

 0

Net Levy Impact

\$240,000

1. Department: **Information Systems**
2. Description of One-Time Item: **Office Software Training**
3. Justification for One-Time Item:

Regional staff in all departments require training in the use of Windows-based software products. The proposed amount of \$150,000 will provide basic training for staff moving to Windows-based software. Staff currently using WordPerfect and Lotus will each receive one day of training in Word and Excel and staff will receive ½ day training course in Windows 95 and the Corporate network

4. 1998 Costs

Proposed
1998 Costs
\$150,000

Description of Expenditures

- Equipment/Hardware

150,000

-

\$150,000

Recoveries

- Other Possible Recoveries
(ie, salvage value)

0

Net Levy Impact

\$150,000

ONE-TIME ITEM FORM

C-8

Department:

Information Systems

Description of One-Time Item:

Increase Network Backbone Speed

Justification for One-Time Item:

There is currently network traffic congestion between the main computer systems and the interconnecting communications network. This network traffic congestion causes delays to the transmission and receipt of data and information from the Region's computer systems. Network traffic is expected to double every year for the next three years, and if the network backbone speed is not increased, the network, like its traffic equivalent effectively goes into "gridlock"

1998 Costs

Proposed
1998 Costs
\$100,000

Description of Expenditures

- Equipment/Hardware

100,000

-

\$100,000

Recoveries

- Other Possible Recoveries
(ie, salvage value)

 0

Net Levy Impact

\$100,000

1. Department: **Information Systems**
2. Description of One-Time Item: **Network Extensions to Remote Offices**
3. Justification for One-Time Item:

Although all the downtown Region office locations and some of the other Regional office locations are connected on the Regional communications network, there are 15 office locations that are currently not connected. In 1998, it is proposed that an additional eight office locations be connected to the communications network. It is strategically important to connect office locations to the network in terms of improving customer services as well as facilitating internal communications between departments and staff.

4. 1998 Costs

Proposed
1998 Costs
\$130,000

Description of Expenditures

- Equipment/Hardware

130,000

-

\$130,000

Recoveries

- Other Possible Recoveries
(ie, salvage value)

0

Net Levy Impact

\$130,000

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